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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

SPECIAL MEETING

Room 282, City Hall
1:00 P.M.
January 12, 1993

COMMISSIONERS

Gordon Chin, President

Victor G. Makras, Vice President

James D. Jefferson

Patricia A. Carson

Michael E. Hardeman

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DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

CALL TO ORDER: 1:15 p.m.

Present: President Gordon Chin, Vice President Victor G. Makras,
Commissioner James D. Jefferson, Commissioner Patricia A. Carson,
Commissioner Michael E. Hardeman

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

WORKSHOP ON THE PROPOSED DEVELOPMENT OF LAND OWNED
BY THE SAN FRANCISCO WATER DEPARTMENT
IN THE CITY OF PLEASANTON

Jeff Grote, President of the Planning Collaborative, consultant, presented a summary and overview of the project. Mr. Grote reported that a steering committee composed of Pleasanton planning commissioners, city council members and private citizens was formed by the City Council of Pleasanton to review this proposed development. The new mayor would also seat in the steering committee.

Mr. Grote presented two alternatives for the development of the land, namely: (1) a million square feet of commercial space and 2500 housing units, or (2) 3,000 housing units and 750,000 square feet of commercial space. Both plans include a golf course.

Mr. Grote summarized the changes in the preferred plan from the original plan. The golf course was retained and will be located on both sides of the freeway; the club house was moved to the south corner of the golf course; and the proposed community park. The areas remaining for discussion are definition of guidelines, and the location of the community park. The actual density would be further studied by the steering committee. The steering committee is interested in not just single but also medium density use.

David Pilpel, representing the Bay Area Chapter of the Sierra Club, stated that the Sierra Club supports high density mixed use development and is opposed to low density development or any development with a golf course.

Peter Albert, commented that the plan should show more relationships with the existing community of Pleasanton. The plan does not allow for easy pedestrian access and the village center is not close enough to the housing units.

THEREUPON, THE MEETING WAS ADJOURNED: 1:55 P.M.

Romaine A. Boldridge
Secretary

MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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FEB 1 1993

SAN FRANCISCO
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Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
January 12, 1993

COMMISSIONERS

Gordon Chin, President

Victor G. Makras, Vice President

James D. Jefferson

Patricia A. Carson

Michael E. Hardeman

DEPARTMENTS

Municipal Railway

Water Department

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Engineering and Construction Management

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Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:05 p.m.

Present: President Gordon Chin, Vice President Victor G. Makras, Commissioner James D. Jefferson, Commissioner Patricia A. Carson, Commissioner Michael E. Hardeman

On motion of Commissioner Hardeman seconded by Commissioner Jefferson, the Minutes of the Regular Meeting of December 22, 1992 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0001 P&T Approving the Non-Civil Service and Temporary appointments and removals made by the General Manager for the month of October, 1992 and amending the September, 1992 report.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0002 P&T Aproving the Non-Civil Service and Temporary appointments and removals made by the General Manager for the month of November, 1992.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0003 UEB Accepting the work performed under the Municipal Railway Contract No. MR-891, Modification No. 1, Muni Metro Turnaround Project Test Slurry Wall Construction, as satisfactorily completed; modifying the contract amount by \$52,140.30 for a total cost of \$331,559.70; and authorizing the Manager of the Utilities Engineering Bureau to issue a

final payment of \$49,099.05 to the contractor, Case International Company.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0004 MR Authorizing the Assistant General Manager of Finance to apply for, accept and expend \$96,000 of State Transit Assistance (STA) Funds to acquire ramped vehicles subject to the Board of Supervisors' approval.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0005 MR Approving Amendment No. 1 to the Agreement with the City's Paratransit Broker, Cerenio Management Group (CMG), authorizing a loan of up to \$115,200 to purchase not less than four paratransit ramped vehicles.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0006 MR Requesting the Mayor to recommend to the Board of Supervisors a Municipal Railway supplemental appropriation of \$2.5 million to cover the projected shortfall in judgment and claims expenses from any legally available funds.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0007 MR Requesting the Mayor to recommend to the Board of Supervisors a Municipal Railway supplemental appropriation of \$850,000 to continue funding the Clean, On-Time Program through June 30, 1993 from any

legally available funds.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0008 WD Requesting the Mayor to recommend to the Board of Supervisors the Water Department supplemental appropriations of \$3.1 million in Fund 32-885 for costs associated with the San Andreas Water Treatment Plant Expansion and the Santa Clara Valley Intertie; and \$19.576 million in Fund 32-891 for costs associated with the Calaveras Pipeline, Sunol Water Treatment Plant, Oyster Point Interchange, Main Replacements, and Service Renewals.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

93-0009 WD Requesting the transfer of \$1,284,390 from Project 32-885-102 Calaveras Pipeline to Project 32-885-101, San Andreas Water Treatment Plant Expansion; requesting the transfer of \$1,450,000 from Project 32-891-103 Main Replacements to Project 32-891-104 Service Renewals; and requesting the transfer of \$300,00 from various projects in fund 32-868 1972 Water System Bonds Fund to Project 32-868-163 Santa Clara Valley Emergency Intertie.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Carson, the following resolution was adopted:

93-0010 HH Agreeing to a three year extension to the Agreement with Washington & Christian for lobbying services for a contract term to December 31, 1995, with \$65,000 retainers for each calendar year and a contract total not to exceed \$215,000; and authorizing the General Manager of the Public Utilities Commission to execute the First Amendment to Agreement with Washington and Christian.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0011 HH Agreeing to a three year extension to the Agreement with Hooper, Hooper & Owen for lobbying services for a contract term to December 31, 1995 with \$180,000 retainers for each calendar year, and a contract total not to exceed \$590,000; and authorizing the General Manager of the Public Utilities Commission to execute the First Amendment to the Agreement with Hooper, Hooper & Owen.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0012 UEB Requesting the Board of Supervisors approval to extend the time to award the San Francisco Water Department Contract No. WD-2137, Hoisting Equipment at Various Pump Stations; and awarding the contract in the amount of \$305,000.00 to San Luis Construction, as lowest responsive bidder, subject to the approval of the Board of Supervisors for extension of time to award.

VOTES: AYES - Chin, Jefferson, Carson, Hardeman

NOES - Makras

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0013 UEB Awarding the San Francisco Water Department Contract No. WD-2140, Bay Division Pipeline No. 4, Backfilling of Pipe and Miscellaneous Repairs, in the amount of \$89,857.00 to A. Ruiz Construction Company and Associates, Inc., as the lowest responsive bidder.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0014 UEB Accepting the work performed under Hetch Hetchy Contract No. HH-830, San Joaquin Pipeline No. 2, Segment 2, Replace Mortar Lining, as

satisfactorily completed; approving debit Contract Modification No. 2 in the amount of \$3,390,631.00; and authorizing final payment in the amount of \$973,938.37 to the contractor, Federal Insurance Company.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

93-0015 UEB Authorizing the Manager of the Utilities Engineering Bureau to execute Amendment No. 3 to the Professional Services Agreement with Foster-Jordan Associates, for additional design costs for the Muni Metro Extension Project from Folsom Street to Third Street in the amount of \$138,711.00, increasing the total fee from \$1,836,247.08 to \$1,974,958.08.

VOTES: AYES - Chin, Makras, Jefferson, Carson, Hardeman

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0016 UEB Authorizing the Manager of the Utilities Engineering Bureau to execute Amendment No. 7 to the Professional Services Agreement with Camp Dresser and McKee for additional professional construction support engineering services in the amount of \$454,043 for the San Andreas Water Treatment Plant Expansion No. 2 Project.

VOTES: AYES - Chin, Jefferson, Carson, Hardeman

NOES - Makras

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS

Commissioner Michael Hardeman reported that he visited four vacant housing units in Moccasin and he found them to be spartan living conditions and he found the heating systems were antiquated. He suggested that PUC look at the condition of these housing facilities before rental fees are raised.

REPORT OF THE GENERAL MANAGER:

1992-93 Budget

Michelle Witt, Director, Bureau of Finance, reported that the Municipal Railway still has a \$7 million shortfall in 1992-93. The Mayor's Office has agreed to transfer \$4.5 million from the general fund reserves to apply against the shortfall. Ms. Witt also reported that the Controller's Office had not been releasing any of PUC's requisitions. Because of this, staff anticipates a big increase in salary savings. Ms. Witt stated that they are looking at salary savings and furloughs to balance the budget. Ms. Witt said that the voluntary program should realize a \$0.5 million savings.

1993-94 Budget

Thomas J. Elzey, General Manager, reported that the Municipal Railway 1993-94 budget has a \$30 million deficit. The budget proposed for 1993-94 would incorporate adjustments such as: one time revenues; \$3 million for the Municipal Railway to implement a decentralized organizational structure; the Mayor's Fiscal Advisory Committee's recommendations; and options to close the gap. The budget recommendations would affect current MOU's and would need the Mayor's Office to re-open Memorandum of Understanding (MOU's) with the unions.

Bay Delta Hearing

Thomas Berliner, Deputy City Attorney, discussed the impact or implications raised by Decision 16.30 issued by the State Water Resources Control Board. The State Board decided that the responsibility for Delta water quality control has to be spread across the board.

Comments regarding the decision are due on February 16th and a hearing will be held on March 1st.

Public Hearing on Item Nos. 8, 9, 10, 11, 12 and 13: Directing the Public Utilities Commission General Manager, Water Department, and Hetch Hetchy to work with the Mayor's Office and the Board of Supervisors to develop funding, including rates and grants to provide necessary staffing and programs to accomplish the goals and objectives identified in the Commission's policy statements in the areas of: Defense of Water Rights; Conservation, Reclamation and Ground Water; Dry Year Options and Supply Augmentation; Bay Area Water Supply Planning; and Environmental Improvements.

David Pilpel, representing the S.F. Bay Area Chapter of the Sierra Club, commented that the proposed resolutions should take into account the impact on the environment in terms of protecting the water supply.

Doug Short, President of the Bay Area Water Users Association and Manager of Belmont Water District, commented that the Bay Area Water Users Association was pleased with the resolutions. However, the association was concerned about the implementation of these resolutions because of the present budgetary problems of the City. They would like to get a commitment that resources would be available to accomplish the context of the resolutions.

Doug Engman, suggested that the Commission emphasize the economics of water within Hetch Hetchy and look at how the price of water can impact the demand and supply.

President Chin suggested that staff get input from the community not only for San Francisco but suburban districts as well.

Commissioner Makras suggested that staff make a recommendation on the total cost to implement these resolutions and submit an actual business plan for implementing the policies to the Commission.

The Commission agreed to continue Items 8 through 13 pending submission of a business plan by staff.

Public Comments:

Ms. Ruth Brinker, Consultant for Non-Profit Social Service Programs, requested that the Commission grant her permission to use the land owned by the San Francisco Water Department to benefit the homeless.

President Chin suggested that Ms. Brinker communicate her ideas to the Mayor's Office of Housing and the Mayor's Homeless Coordinator.

THEREUPON, THE MEETING WAS ADJOURNED: 3:50 P.M.

Romaine A. Boldridge
Secretary

FEB 5 1993

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MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

SPECIAL MEETING

1155 Market Street, Room 402

2:00 P.M.

January 19, 1993

COMMISSIONERS

Gordon Chin, President

Victor G. Makras, Vice President

James D. Jefferson

Patricia A. Carson

Michael E. Hardeman

DEPARTMENTS

Hetch Hetchy Projects

Municipal Railway

Water Department

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

CALL TO ORDER: 2:10 p.m.

Present: President Gordon Chin, Vice President Victor G. Makras, Commissioner Patricia A. Carson

Excused: Commissioner James D. Jefferson and Commissioner Michael E. Hardeman

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Carson, seconded by Commissioner Chin, the following resolution was adopted:

93-0017 BF Approving the Municipal Railway's Five-Year Operations Budget and Financial Capacity Assessment for Inclusion in the Amended 1993-97 Transportation Improvement Program (TIP).

VOTES: AYES - Chin, Makras, Carson

PUBLIC HEARING:

Item No. 4: To consider budget proposals for the Municipal Railway, Water Department, Hetch Hetchy Water and Power, and the PUC Bureaus for fiscal year 1993-94.

Michelle Witt, Director, Bureau of Finance, summarized the actions taken by the Commission during the 1992-93 PUC budget process, such as: Muni fares were increased; the Water Department and Hetch Hetchy contributed over \$5 million to the general fund; the PUC's budget was reduced by 10%; and 160 positions were cut from the budget.

Ms. Witt discussed the 1993-94 budget instructions given by the Mayor's Office. Ms. Witt reported that the baseline budget includes adjustments for the departments and the bureaus.

She discussed the issue of decentralization of the bureaus and making the Municipal Railway a stand alone department. Ms. Witt stated that the proposal for the Municipal Railway to be a stand alone department would increase the Municipal Railway's budget by \$3 million and reduce the Water Department and Hetch Hetchy budgets by the same amount.

Ms. Witt stated that based upon projected revenues, the Municipal Railway would be a half million to \$2 million short. Ms. Witt discussed the following options to reduce the Municipal Railway's budget for FY 1993-94: amend the City Charter and Memorandum of Understanding (MOU) to reduce labor costs; freeze salary increases; continue Hetch Hetchy transfer for Propulsion Power; reduce payment to Joint Powers Board; implement mandatory furloughs; increase fares; reduce services; and make modifications to programs. The option to amend the charter and the MOU was among those proposals recommended by the Mayor's Fiscal Advisory Committee to reduce the Municipal Railways compensation costs. This option would require the Mayor's Office to renegotiate the MOU with transit operators.

Ms. Witt presented proposed changes in the bureaus budget. The Bureau of Energy Conservation will be transferred to Hetch Hetchy, Water and Power; and Bureau Services, such as Reproduction will be transferred from the General Manager's Office to the Municipal Railway.

The Mayor's Office directed the Water Department to transfer \$1 million to the Fire Department for the maintenance of the Fire Department's Auxiliary Water Supply System (AWSS). This transfer would be an ongoing program and would raise the Water Department's City rates by 3%. Commissioner Makras expressed concerns about the rationale of this transfer. Commissioner Makras moved, and Commissioner Carson seconded to send a letter to the Mayor to ask for clarification regarding the transfer of \$1 million to the Fire Department.

Members of the public who commented at the meeting were as follows: David Pilpel; Bob Planthold, Secretary, Muni Accessible Services Advisory Group; Ray Antonio, Transport Workers Union Local 250A; and Jano Oscherwitz, Local 790.

THEREUPON, THE MEETING WAS ADJOURNED: 4:35 P.M.

Romaine A. Boldridge
Secretary

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PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

SPECIAL MEETING

Room 282, City Hall
1:00 P.M.
January 26, 1993

COMMISSIONERS

Victor G. Makras, Vice President

James D. Jefferson

Patricia A. Carson

Michael E. Hardeman

Kay K. Yu

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 1:15 p.m.

Present: Vice President Victor G. Makras, Commissioner Michael E. Hardeman,
Commissioner James D. Jefferson, Commissioner Patricia A. Carson,
Commissioner Kay K. Yu

Vice President Victor Makras presided during the meeting.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

Announcement:

Vice President Victor Makras, welcomed Kay K. Yu, as the new Commissioner to the Public Utilities Commission.

WORKSHOP ON THE REPRIORITIZATION OF THE MUNICIPAL RAILWAY'S CAPITAL IMPROVEMENT PROGRAM

Thomas J. Elzey, General Manager, Public Utilities Commission stated that the reprioritization of the Municipal Railway's Capital Improvement Program is a major complex issue. The Transportation Authority has appointed a consultant to help the Municipal Railway in prioritizing the capital improvement projects.

Susan Chelone, Transportation Planner, Municipal Railway Capital Projects Planning and Coordination Section, provided a brief description of the project. Ms. Chelone stated that the capital improvement program is divided into two major projects: the rehabilitation and replacement of existing fleet and infrastructure projects, which is 58% of the capital program; and expansion projects, which is 42% of the capital program.

Commissioner Jefferson expressed concern about the revenue sources of specific projects and how money is being used with respect to these projects. He asked staff to provide detailed

information on all projects to determine what the parameters are with respect to revenue sources.

Vice President Makras requested staff to provide a list of projects which are more at risk if they are not funded, how much money is available, and determine which projects are more likely to be approved. Vice President Makras also suggested staff to include a wish list of those projects that staff would like to be approved if resources are available.

THEREUPON THE MEETING WAS ADJOURNED: 1:47 P.M.

Romaine A. Boldridge
Secretary

MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
January 26, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

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Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:00 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

Vice President Victor Makras presided.

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the Minutes of the Special Meeting on the Proposed Development of Land Owned by the San Francisco Water Department in the City of Pleasanton, and the Minutes of the Regular Meeting on January 12, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

SPECIAL ORDER OF BUSINESS

ELECTION OF PRESIDENT FOR THE YEAR 1993

Commission Hardeman nominated Commissioner Yu for President, seconded by Commissioner Carson. Commissioner Jefferson nominated Vice President Makras, seconded by Vice President Makras.

Commissioner Yu was elected President.

VOTES:	Commissioner Yu	-	Hardeman, Carson, Yu
	Commissioner Makras	-	Jefferson, Makras

President Yu presided for the remainder of the meeting.

ELECTION OF VICE PRESIDENT FOR THE YEAR 1993

President Yu nominated Commissioner Hardeman for Vice President, seconded by Commissioner Carson. Commissioner Makras nominated Commissioner Jefferson.

Commission Jefferson withdrew his name from nomination and Commissioner Hardeman was elected Vice President by acclamation.

RESOLUTION NO.

On motion of Commissioner Yu, seconded by Jefferson, the following resolution was adopted:

93-0018 BF Recommending to the Mayor and the Board of Supervisors the following amendments to the Municipal Railway Fare Schedule: increasing the price of bi-monthly and monthly inter-operator fare instruments, including the BART Plus Pass and stickers used with AC Transit Pass, Golden Gate Transit Commute Book Tickets and SamTrans Pass; and increasing special events pass to \$5.00.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0019 BF Approving a policy strategy to provide for multiple year fare increases for the Municipal Railway and to ensure a reasonable rate of farebox recovery.

VOTES: AYES - Yu, Hardeman, Jefferson

NOES - Makras, Carson

On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:

- 93-0020 BF Approving collection of charges for damages for the months of November and December 1992 against the Municipal Railway, Water Department, Hetch Hetchy, and the Bureau of Light, Heat and Power.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:
- 93-0021 UEB Requesting approval of the Board of Supervisors to extend the time to award the Municipal Railway Contract No. MR-1150 for the construction of the Municipal Railway Metro Turnaround Facility.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:
- 93-0022 UEB Authorizing and approving the substitution of sub-contractor, Allar Mechanical Contractors, for Trico Development and Construction, to perform the plumbing and mechanical work under the San Francisco Water Department Contract No. WD-2134, CDD Summit Pump Station Standby Generator and Related Work.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:
- 93-0023 UEB Awarding Hetch Hetchy Contract No. HH-832, San Joaquin Pipeline No. 2, Repair Mortar Lining, Segment III, in the amount of \$1,694,522.80 to Spiniello Construction Co., as the lowest responsive bidder.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:

93-0024 MR Authorizing the transfer of \$100,000 from Workers' Compensation Funds in the Municipal Railway's operating budget to Contractual Services (Object 109) to support the appropriate level of security guard services for Municipal Railway facilities.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:

93-0025 WD Accepting the work performed by Schuss - Carol in the development of the wildlife management and depredation study as being satisfactorily completed; and authorizing final payment to Schuss-Carol in the amount of \$19,575.28.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:

93-0026 WD Authorizing the General Manager of the San Francisco Water Department to amend the professional services agreement with Bookman-Edmonston to perform a well test of the lower levels of the Sunol Valley Groundwater Basin at a cost not to exceed \$30,000.00, bringing the current contract amount to \$280,000.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:

93-0027 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2093, 6-Inch Ductile Iron Main Installation in Perry, Stillman, Freelon, Welsh, Zoe and Ritch Streets, as satisfactorily completed; approving credit Contract Modification No. 1, in the amount of \$3,325.00; and authorizing final payment in the amount of \$5,004.25 to the Contractor, P & M Pipelines and Coast-Geo Constructors, Inc.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted in executive session:

93-0028 BF Approving settlement of claim under Superior Court Case No. 928-973, Laura Martinez vs. City and County of San Francisco.

VOTES: AYES - Yu, Hardeman, Jefferson, Carson

ABSENT - Makras

On motion of Commissioner Jefferson, seconded by Commissioner Jefferson, the following resolution was adopted in executive session.

93-0029 BF Approving settlement of People v. CCSF, NUM-0127, Alameda County.

VOTES: AYES - Hardeman, Jefferson, Carson

ABSENT - Yu, Makras

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

Commissioner Makras expressed concern about the delays in the bid process to acquire fare boxes.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

Commissioner Hardeman reported that he attended the inauguration ceremonies for President Bill Clinton.

Commissioner Jefferson suggested that staff request Gordon Chin's presence at the meeting when a resolution/commendation will be presented for his service to the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER:

Status Report on the J&M Trackway and Platform Project on 19th Avenue

Don Birrer, Facilitator, 19th Avenue Project, recommended two interim solutions to the 19th Avenue Project: (1) make modifications to the intersection at Crespie Drive; and (2) modify and widen the platform at Stonestown and State University on a temporary basis to address safety issues. He suggested addressing these safety issues first.

Mr. Birrer stated that a crossover track would be essential. Johnny Stein stated that he supports Mr. Birrer's recommendation on the safety aspect but does not think that any kind of continuous loop will work.

Commissioner Jefferson suggested that staff address those factors that need to be discussed with regard to funding of grant projects. Michelle Witt, Director, Bureau of Finance, stated that the J&M Loop is a \$4 million project and is currently in the funding process. There will be questions on whether the money would be available for federal funding if the scope of the project is changed. She added that staff has to talk to the Federal Transit Authority about the scope change of the project.

Commissioner Hardeman suggested that the required work should be completed in summer when students are out of school. Don Birrer responded that widening the platform can be done anytime and would not require traffic re-routing. He stated that the best solution to the platform design, would be a raised platform.

Commissioner Hardeman commended Don Birrer for having done a great job in coordinating and dealing with the neighborhood groups and other City departments.

Members of the public who commented at the meeting were: Jim Herlihy, Chair of the 19th Avenue Coalition Committee; Robert Pender, Park Merced Residents Organization; Janice Gendreau, Upper Noe Valley Neighbors; Catherine Sanders; Marshall Sanders; Ronald Stovitz; Charles Ramsden; Bill Kuhns; Bonnie Weinstein, Bruce Oka; Dehnert Queen; Edward Evans; David Spero; Norman Rolfe; Howard Strassner; Kim Wible, Chief of Police, S.F. State University; Bill Kuhns; and Bill Bodin.

Commissioner Yu directed that staff address the safety issues immediately. She directed the Municipal Railway staff and Mr. Don Birrer to prepare a recommendation, address the ramifications of those recommendations, list specific tasks addressed in Mr. Birrer's report and how long it will take to accomplish these tasks.

Mr. Thomas J. Elzey, General Manager, Public Utilities Commission, stated that the problem with the safety and Americans with Disabilities Act (ADA) issues should be addressed

immediately and in conjunction with the groups that represent handicapped individuals; however, it does not address the J line extension issue.

Commissioner Jefferson requested that staff calendar this item at the next meeting for the Commission to make a decision with respect to the project and requested that staff contact the funding sources relative to the grant for the J line and report back to the Commission on where we stand relative to the \$20 million grant and whether or not we have to pay it back.

President Yu suggested that staff lay out the options, what the combinations are, and how long it will take to accomplish the tasks.

Commissioner Hardeman requested that staff include the financial implication of each option.

The meeting recessed at 4:00 pm. and reconvened at 4:15 p.m.

Resolution No. 93-0018: Recommending to the Mayor and the Board of Supervisors the following amendments to the Municipal Railway Fare Schedule: increasing the price of bi-monthly and monthly inter-operator fare instruments, including the BART Plus Pass and stickers used with AC Transit Pass, Golden Gate Transit Commute Book Tickets and SamTrans Pass; and increasing special events pass to \$5.00.

Michelle Witt, Director, Bureau of Finance, discussed the proposed amendments to the Municipal Railway fare schedule. Ms. Witt stated that these amendments include recommendations by the Mayor's Fiscal Advisory Committee (MFAC).

Members of the public who commented at the meeting are as follows: Melissa McNeill; Colin Hussey; David Spero; Michael Kwok, Paratransit Coordinating Council; Jewel McGuinness; Bruce Oka; representing Senior Action Network - Geraldine Earp, Jeanne Lynch, and Bill Price; Jay Adams; August Lonso, Paratransit Coordinating Council; Philip Capo; Franklin Carder; William Walker; Edward Evans, Senior & Disabled Concerns Committee of NOMPC; Lois G. Roberts; Dehnert Queen, Small Business Development Corp.; Bobbie Brown, Transport Workers Union, Local 250A; Norman Rolfe; Howard Strassner; John Cole; and Bryan Dohcran.

Commissioner Makras suggested that the Commission consider the increase in special events fare together with the entire budget and the fare increase proposal. Commissioner Hardeman suggested amending staff's recommendation to include a clause that the fares will not be increased again before March 1, 1994. Commissioner Yu moved and Commissioner Jefferson seconded to amend the resolution to reflect these changes. The Commission voted unanimously to approve the resolution, as amended.

Resolution No. 93-0019: Approving a policy strategy to provide for multiple year fare increases for the Municipal Railway and to ensure a reasonable rate of farebox recovery.

As regards establishing a farebox recovery rate, Commissioner Makras expressed concern about establishing a policy which the State might use against the Public Utilities Commission with respect to funding PUC projects.

Regarding transfers, Commissioner Jefferson stated that a direction driven transfer system should be considered as opposed to the current system of elapsed time.

Commissioner Makras requested that staff urge the Department of City Planning to provide guidelines to PUC as to what level of service reduction would require a full blown environmental impact report.

Commissioner Makras moved to direct staff to negotiate a contract with EIP Associates to conduct an initial study and bring the final contract to the Commission for approval. Commissioner Hardeman seconded. The motion was approved unanimously.

Commissioner Jefferson moved and Commissioner Hardeman seconded, to approve the policy guidelines to provide for multiple year fare increases for the Municipal Railway. Commissioners Carson and Makras voted no.

Commissioner Hardeman moved, and President Yu seconded to continue the public hearing on fare increases to March 9, 1993.

Item No. 12: To consider budget proposals for the Municipal Railway, Water Department, Hetch Hetchy Water and Power, and the PUC bureaus for Fiscal Year 1993-94.

This item was continued to Friday, January 29, 1993 at 9:00 a.m. at a place to be determined by the Secretary, preferably in City Hall or at 1155 Market Street.

THEREUPON, THE MEETING WAS ADJOURNED: 7:50 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

RECESSED MEETING

Room 2C, City Hall
9:00 A.M.
January 29, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

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DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 9:10 a.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

This meeting was continued from the January 26, 1993 Commission meeting.

RESOLUTION

NO.

On motion of Commissioner Jefferson, seconded by
Commissioner Yu, the following resolution was adopted:

93-0030 GM Adopting Fiscal Year 1993-94 operating budget for all
departments and bureaus under the jurisdiction of the Public
Utilities Commission.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

Thomas J. Elzey, General Manager, Public Utilities Commission, informed the Commission that the City Attorney had provided an opinion about operator salaries and the trust fund. Mr. Elzey also reported that the Grand Jury issued a document discussing the actions of the Commission to balance the 1992-93 budget. The document contained the Grand Jury's budget recommendations for 1993-94. The Grand Jury is seeking the labor unions' cooperation and recommending that the Mayor direct PUC to consider implementation of the Mayor's Fiscal Advisory Committee recommendations.

Michelle Witt, Director, Bureau of Finance, recapped the actions taken to balance the 1992-93 budget and summarized the Mayor's budget instructions for FY 93-94. Ms. Witt said that the Mayor's Office requested PUC to: absorb the costs of all of the one time funding sources used to balance the 1992-93 budget; to look at

decentralization with the Municipal Railway becoming a stand alone department; and to decrease salary savings to 3%.

Ms. Witt reported that the Municipal Railway is facing a \$30 million internal budget deficit even before the City-wide budget deficit figure is determined. Ms. Witt said it would cost the Municipal Railway \$3.1 million to decentralize. This includes the cost of maintaining bureau functions. The Water Department and Hetch Hetchy, on the other hand, will reduce their budgets by the same amount.

Ms. Witt advised that the Transportation Authority hired a consultant to look at the reprioritization of the Municipal Railway's capital projects. The consultant's recommendation would be available by the end of February. Ms. Witt said several agencies are concerned about staffing levels in the Municipal Railway capital projects. Mr. Elzey stated that staff focus on filling and maintaining positions necessary to meet the requirements of regulatory agencies not only in management but also audit and financial management of capital projects.

Ms. Witt said that the 93-94 budget included two proposed changes in bureau services functions: (1) transfer the Reproduction Unit to the Municipal Railway since Muni is the primary end user of the service; and (2) transfer the Bureau of Energy Conservation to Hetch Hetchy since Hetch Hetchy pays 100% of the Bureau of Energy Conservation's costs.

Mr. Elzey stated that the transfer of bureau functions to the departments would bring up an efficiency issue in the loss of human capital and the level of services.

Commissioner Makras requested that staff include capital costs such as equipment and office space as part of the cost for decentralization. Ms. Witt replied that those costs would eventually be included, but not by the end of February.

Commissioner Jefferson raised the issue that if the Municipal Railway becomes a stand alone department, the cost to deliver power to the Municipal Railway's overhead lines should be identified as a cost to the Municipal Railway. Ms. Witt responded that this change would increase the costs to decentralize the Municipal Railway. President Yu directed that staff identify the cost to deliver power to the Municipal Railway's overhead lines and include that cost in the baseline budget.

Jean Mariani, Budget Director, Mayor's Office, stated that the Mayor's Office cannot give instructions or line by line recommendations on the PUC budget. She stated that the Mayor prefers that the Public Utilities Commission move forward based on the general policy guidelines given to all departments regarding the budget. Ms. Mariani suggested contacting the Employee Relations Division of the Mayor's Office for issues involving changes in any Memorandum of Understanding (MOU's).

Municipal Railway

Johnny Stein, General Manager, Municipal Railway, presented the following proposals for the Municipal Railway's FY 1993-94 budget: amend the Charter and the operators' Memorandum of Understanding (MOU) to reduce labor costs based upon the Mayor's Fiscal Advisory Committee's (MFAC) recommendations; freeze salary increases; continue the Hetch Hetchy transfer for propulsion power; reduce payment to the Joint Powers Board; implement mandatory furloughs; increase fares; reduce services; and program modifications.

Robin Reitzes, Deputy City Attorney, stated that with respect to changing the way the Muni driver pay is calculated, it would not be necessary to amend the Charter. However, the Memorandum of Understanding (MOU) has to be renegotiated with mutual consent of both parties. Questions about timing issues should be addressed to the Employee Relations Division. The recommendation to change the benefits paid to operators would require a Charter amendment and reopening of the MOU. Any charter amendment that would be presented on the ballot requires the City to meet and confer with the union. Ms. Reitzes stated that the MOU allows either party to reopen the provisions of the MOU under unanticipated circumstances such as a budget crisis.

The Commissioners agreed to develop two budget scenarios; one that includes the recommendations of the Mayor's Fiscal Advisory Committee (MFAC) which would be submitted to the Mayor, and an alternate budget should the MFAC recommendations not materialize. They also agreed to advise the Mayor of the implication that if the MFAC recommendations are not considered, PUC will recommend fare increases and service reductions.

Clare Caldwell and Ray Antonio, representatives of the Transit Workers Union, Local 250A, expressed their opposition to opening TWU's Memorandum of Understanding. Alice Fialkin, Transport Workers Union, Local 200, requested an opportunity to meet and confer with the Commission regarding budget proposals that would affect their union. Jano Oscherwitz, SEIU, Local 790, stated that there was no precedent for reopening a contract.

The following actions were taken by the Commission regarding the Municipal Railway's FY 93-94 budget:

1. Commissioner Yu moved and Commissioner Jefferson seconded to adopt the following budget recommendations for the Municipal Railway:
 - (a) Amend Charter and MOU to reduce labor costs.
 - (b) Recommend disapproval of Salary Increases.
 - (c) Continue Hetch Hetchy Transfer for Propulsion Power

(d) Reduce Payment to Joint Powers Board

(e) Implement Mandatory Furloughs

The motion passed 4-1; Commissioner Hardeman voted no.

2. Commissioner Jefferson moved to eliminate the proposed service reductions; Commissioner Makras seconded. The motion passed unanimously.
3. Commissioner Makras moved adoption of the list of Program Modifications with an amendment to delete the Clean, On-Time Program from the list of programs to be eliminated or reduced. Commissioner Jefferson seconded. The motion passed unanimously. Ms. Witt advised the Commission that adoption of the Program Modifications would result in layoffs. On motion of Commissioner Hardeman, seconded by President Yu, the vote on Program Modifications was rescinded by a unanimous vote.
4. Commissioner Yu moved to adopt a \$4 million Municipal Railway fare increase. Commissioner Carson seconded. The motion passed 4-1. Commissioner Makras voted No.

Hetch Hetchy, Water and Power

Commissioner Makras questioned the 70% increase in the cost of purchasing power for FY 93-94 budget. He stated that the budget estimate for the purchase of power was high considering the amount of rainfall and snow pack we received this season. Lawrence Klein, Deputy General Manager, Hetch Hetchy, responded that this increase was projected prior to receipt of definitive data from the snow survey. The capital program, the general fund transfer and the purchase of power will be adjusted later in the year to balance the budget. Mr. Elzey stated that the revised budget data would be submitted to the Commission when a clear estimate of the reservoir level is determined.

Commissioner Makras moved to adopt Hetch Hetchy's 93-94 Budget. Commissioner Jefferson seconded. The motion passed unanimously.

Water Department

John Mullane, General Manager, Water Department, reported that the Water Department would not be in a position to address water rates until after the April snow survey. Staff would recommend changes to the water rationing program, either elimination of the program or making it voluntary. He stated that eliminating the

water rationing program would increase their sales and substantially reduce the funds to administer the program.

Commissioner Makras stated that he believed that the Water Department would not have to purchase water and that the operating costs would not be as high as estimated by the Department. He believed that the Water Department could reduce the water rates this year.

Mr. Mullane replied that the staff recommendation on water rates would be determined based upon Hetch Hetchy's estimate of how much water would go into the reservoir.

Commissioner Makras moved to adopt the Water Department's Budget for FY 93-94. Commissioner Yu seconded. The motion passed unanimously.

PUC Bureaus

Commissioner Jefferson moved to adopt the PUC Bureaus budget. Commissioner Yu seconded. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 2:20 P.M.

Romaine A. Boldridge
Secretary

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19/93

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.

February 9, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

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DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:05 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the Minutes of the Special Meeting on January 19, 1993, and the Minutes of the Special and Regular Meetings on January 26, 1993 were approved as amended.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Yu, seconded by Commissioner Makras, the following resolution was adopted:

93-0031 GM Expressing appreciation to Gordon Chin, former Commissioner of the Public Utilities Commission, for his contribution to the City and County of San Francisco.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

93-0032 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway in the amount totaling \$41,385.00.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by

Commissioner Makras, the following resolution was adopted:

- 93-0033 HH Declaring an emergency condition at Hetch Hetchy's Moccasin facility with regard to the sewage piping and treatment plant; and requesting the Mayor to recommend to the Board of Supervisors to approve the expenditure of \$287,125 of funds available in Fund Group 33001, PRJ/PH 78501, Index Code 745638.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0034 HH Approving the plans and specifications as prepared and recommended by staff; and authorizing a bid call for the Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-owned Street Lighting Systems, Fiscal Year 1993-94.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0035 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2073, 8-Inch Ductile Iron Main Installation in California Street between Presidio Avenue and Steiner Street and Octavia Street between Union and Vallejo Streets, as satisfactorily completed; approving Debit Contract Modification No. 1 in the amount of \$11,983.00; authorizing an extension of time of unavoidable delays of 22 working days; and authorizing final payment of \$11,351.65 to the Contractor, Ranger Pipelines and A. Ruiz, a joint venture.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0036 UEB Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-801, Hetch Hetchy Road Rebuilding, as satisfactorily completed; approving Debit Contract Modification

No. 1 in the amount of \$30,965.78; and authorizing final payment in the amount of \$61,765.78 to the contractor, George Reed, Inc.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0037 BEC Authorizing the transfer of \$25,000 from "Other Contractual Services" budget category into the Temporary Salaries category of the Bureau of Energy Conservation's FY 1992-93 Operating Budget.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0038 PT Ratifying and approving the Non Civil Service and Temporary Appointments and removals for the month of December, 1992.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Yu, the following resolution was adopted:

- 93-0039 MR Accepting the work performed under Municipal Railway Contract No. MR-1013, Presidio Yard - Bus Washer Replacement, funded under Fund Group 31-037, Project 606-04 and Fund Group 31-003, Project 601-01 as satisfactorily completed; authorizing an extension of time for delays of 308 calendar days; and authorizing final payment in the amount of \$30,980.04 to the Contractor, Interlane and P&J Utility Co.

VOTES: AYES - Yu, Hardeman, Jefferson, Carson

NOES - Makras

On motion of Commissioner Yu, seconded by Commissioner Carson, the following resolution was adopted:

93-0040 MR Authorizing the transfer of \$140,000 of surplus funds from Object 330, Services of Light, Heat and Power, to conduct an environmental review relating to potential reductions in Municipal Railway services as follows: \$100,000 to Object 109, Contractual Services; and \$40,000 to Object 331, Services of City Planning; and authorizing the solicitation of proposals from one or more firms for an additional \$350,000 in as-needed environmental services.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Yu, the following resolution was adopted:

93-0041 WD Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$600,018 from the surplus; and amending the Water Department's current operating budget to fund the needed services during the remainder of fiscal year 1992-93.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0042 WD Approving the terms and conditions and authorizing execution of the lease of approximately .57 acres of land, located on a portion of Parcel 144 of Bay Division Pipeline Nos. 3 and 4 right-of-way, to Don Pearlman Joint Venture Eleven, as Lessee, for the purpose of parking and landscaping, for an initial term of five years, commencing on February 1, 1993 and terminating on January 31, 1998, with one 5-year option at an initial rent of \$13,500 per year.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0043 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 8 to the professional services agreement with Bechtel Corporation to provide construction management and engineering support services during construction of the Muni Metro Turnaround Project in an amount not to exceed \$20,584,970

and to extend the Agreement through May 1, 1996; and authorizing submittal of Amendment No. 8 to the Board of Supervisors for their approval in accordance with San Francisco Administrative Code.

VOTES: AYES - Yu, Hardeman, Jefferson, Carson
NOES - Makras

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0044 UEB Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 1A of the Professional Services Agreement with Woodward-Clyde Consultants to extend the completion time from December 31, 1992 to March 31, 1993 to perform Phase III Embankment Stability Study of the S.F. Water Department Project W755.0, Stanford Heights Reservoir Seismic Study, at no additional cost.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Carson, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0045 UEB Authorizing the Utilities Engineering Bureau Manager to execute a Professional Services Agreement with the Association of Camp Dresser & McKee Inc., AGS. Inc., and F.E. Jordan Associates, Inc. for Phase 1A - Preliminary Engineering and Alternatives Analysis of the Hetch Hetchy Water Treatment Project, for an amount not to exceed \$1,800,000.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

Introduction of Old Business by Commissioners:

Commissioner Hardeman reported on his visit to the Watershed and the meeting he had with Watershed Keepers, Ed Stewart and Jack O'Shea, regarding the housing units owned by the Water Department and Hetch Hetchy. Commissioner Hardeman presented reports from current occupants listing the types of repairs made or needed

to be done in the housing facilities they are renting. Commissioner Hardeman suggested that if the City were to raise the rents on these housing facilities, we should also address the tenants' needs.

President Yu directed staff to send the report to the General Managers of the Water Department and Hetch Hetchy for their comments.

Commissioner Jefferson brought up the issue regarding the closure of the Cable Car Museum. The Mayor requested a report from the Commission with regard to this matter. Johnny Stein, General Manager, Municipal Railway, advised that he would meet with the Historical Society to work out a compromise to keep the museum open. Alan Siegel, Municipal Railway Community Affairs Division, stated that the museum was losing \$24,000 a year because of increased vandalism and shoplifting in the museum.

President Yu inquired about the possibility of getting a new vendor. Mr. Siegel said that the Municipal Railway intends to request authority to circulate a Request for Proposal to find another concessionaire.

The Commission agreed to send a letter to the Mayor expressing support to keep the cable car museum open. Commissioner Makras directed staff to calendar this item at the next regular Commission meeting. Staff should present an interim agreement with the Cable Car Museum operator, Heritage Group, with an understanding that should there be a negative cashflow, the group should let PUC know what the costs would be.

Lawrence Martin, International Representative, Transport Workers Union, requested the Public Utilities Commission to rescind its action concerning the reopening of the Transport Workers Union (TWU) Memorandum of Understanding (MOU).

Thomas J. Elzey, General Manager, Public Utilities Commission, stated that the Mayor's Office indicated they would not consider budget recommendations that would involve reopening of MOUs. PUC would have to review alternative options to address the budget deficit.

Mr. Elzey discussed the Controller's memorandum regarding the Municipal Railway's \$5.5 million budget shortfall in the current fiscal year. He said that mandatory furlough and layoffs are options that would be considered to meet the shortfall. He said that staff would be developing a plan to present to the Commission regarding the mandatory furlough program. President Yu suggested that staff consider options that are within the Commission's control.

Resolution No. 93-0043: Authorizing the Manager of Utilities Engineering Bureau to execute Amendment No. 8 to the professional services agreement with Bechtel Corporation to provide construction management and engineering support services during construction of the Muni Metro Turnaround Project.

The Commission took this item out of order.

Commissioner Hardeman moved and Commissioner Jefferson seconded to approve this item. Commissioner Makras voted No. The motion passed 4-1.

Commissioner Makras expressed the opinion that the DBE participation should be greater. In this particular contract, the DBE participation goal was listed at a minimum.

Report of the General Manager:

Status of Clean, On-Time Program

Johnny Stein, General Manager, Municipal Railway, reported that funding for this project would run out on February 15th.

Commissioner Makras moved to send a communication to the Mayor emphasizing the importance of this program to the Municipal Railway, advising the Mayor that the Commission voted to recommend a fare increase in the FY 93-94 budget with the knowledge that the Clean, On Time Program will be running throughout the year, and urging the Mayor for his commitment to support continuance of the program. Commissioner Yu seconded. The motion passed unanimously.

Good News About the Drought

Anson Moran, General Manager, Hetch Hetchy Water & Power, reported that to date, precipitation is 130% of normal, the snowpack is 130%, less in certain part of the Sierra but still very good, the reservoir is 63% of normal and 41% of capacity. The reservoirs continue to be low. Staff projects that runoff will be 3.5 million acre feet. Mr. Moran said that we are looking at a good year and that there is a 75% chance that we could get out of the drought situation.

John Mullane, General Manager, Water Department, advised the Commission that within the next four to six weeks staff would calendar a recommendation for a new water rate structure and a request to change the existing rationing program by reducing it to a voluntary program and asking the Commission to maintain the provisos on water use.

Commissioner Jefferson suggested that staff continue to implement some kind of

rationing program for planning purposes for succeeding years when there may not be enough rain.

Resolution No. 93-0039: Accepting the work performed under Municipal Railway Contract No. MR-1013, Presidio Yard - Bus Washer Replacement, funded under Fund Group 31-037, Project 606-04 and Fund Group 31-003, Project 601-01 as satisfactorily completed.

Commissioner Hardeman moved and President Yu seconded to adopt this item. Commissioner Makras voted No. Commissioner Makras expressed concern about the substantial delays in this project. The Commission had considered this a high priority project. The motion passed 4-1.

Resolution No. 93-0040: Authorizing the transfer of \$140,000 of surplus funds from Object 330, Services of Light, Heat and Power, to conduct an environmental review relating to potential reductions in Municipal Railway services as follows: \$100,000 to Object 109, Contractual Services, and \$40,000 to Object 331, Services of City Planning; and authorizing the solicitation of proposals from one or more firms for an additional \$350,000 in as-needed environmental services.

Commissioner Jefferson suggested that staff expand the environmental review and include a potential service reduction in the \$8 million range. He said that this step would prepare PUC for a worst case scenario of service reduction for the 1993-94 budget.

THEREUPON, THE MEETING WAS ADJOURNED: 4:10 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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MAR 15 1993

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MAYOR

REGULAR MEETING

Room 52A, City Hall
4:30 P.M.
February 11, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Thomas J. Elzey
GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 5:15 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION

NO.

On motion of Commissioner Yu, seconded by Commissioner Carson, the following resolution was adopted in executive session:

93-0046 GM Approving the temporary appointment of Anson B. Moran as General Manager of Public Utilities, effective February 17, 1993.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Hardeman, the following resolution was adopted.

93-0047 GM Approving the personal services contract with Thomas J. Elzey for consultant services.

VOTES: AYES: - Yu, Hardeman, Jefferson, Carson

NOES - Makras

At 4:00 p.m. the Commission met in Executive Session to discuss two personnel matters. The closed session was recessed at 5:15 p.m. and the Commission went into an open session to hear comments from the public.

The following members of the public spoke in support of retaining the services of Mr. Thomas J. Elzey as General Manager of the Public Utilities Commission: Dr. Amos C. Brown; African American Family Summit; Michael Colbruno, S.F. Sentinel; Peter Cohn, SFNAACP; Espanola Jackson; District 7 Democratic Club; and Geraldine M. Johnson.

At 5:57 p.m. the Commission returned to Executive Session.

The Commission reconvened to an open session at 6:55 p.m..

President Yu announced that the Commission voted 4-1 to accept Thomas J. Elzey's resignation effective February 17, 1993. President Yu also announced the appointment of Anson B. Moran as acting General Manager until a General Manager is appointed.

Resolution No. 93-0047: Approving the personal services contract with Thomas J. Elzey for consultant services.

Commissioner Makras asked Mr. Elzey if the personal services contract was tied to his resignation. Mr. Elzey responded affirmatively.

President Yu moved to approve the personal services contract with Thomas J. Elzey for consulting services. Commissioner Hardeman seconded. On the motion, Commissioners Yu, Hardeman, Jefferson and Carson voted aye; Commissioner Makras voted no. Commissioner Makras stated that he was opposed to the personal services contract because it was being negotiated contingent upon Mr. Elzey's resignation.

THEREUPON, THE MEETING WAS ADJOURNED: 7:07 P.M.

Romaine A. Boldridge
Secretary

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MINUTES

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MAR 15 1993

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Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall

2:00 P.M.

February 23, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:25 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

On motion of Commissioner Makras, seconded by President Yu, the Minutes of the Recessed Meeting of January 29, 1993, and the Minutes of the Regular Meeting of February 26, 1993 were approved as amended.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0048 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2153, Repaving of Street and Sidewalk Openings, for the Fiscal Year Ending June 30, 1994.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0049 UEB Approving Debit Contract Modification No. 1 to the San Francisco Water Department Contract No. WD-2107, Sunol Valley Water Treatment Plant Expansion, in the amount of \$485,027.00; Contractor, Nibbi-Lowe Construction.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0050 MR Authorizing negotiations to pursue a lease-purchase option of 700 Pennsylvania Avenue or other suitable site for the relocation of

the Municipal Railway's Ways & Structures Division.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0051 MR Approving the "pay-as-you-go" capital program strategy for improvements to the existing Municipal Railway system and Waterfront transportation projects; approving deferral of selected extension projects until after the year 2001; and adopting the recommended list of Capital Project Priorities.

VOTES: AYES - Yu, Hardeman, Jefferson, Carson

ABSENT - Makras

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0052 HH Authorizing extension of agreement with McLeod & Associates for economic consulting services to June 30, 1994, with two optional one-year renewals, thereby increasing the contract amount by \$42,000, for a contract total not to exceed \$142,000; and authorizing the General Manager of the Public Utilities Commission to execute the First Amendment to the agreement with McLeod & Associates.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:

- 93-0053 WD Approving the recommended changes to the San Francisco Administrative Code to allow Water Department employees required for emergency response duties to use City-owned vehicles for transportation to and from their places of residence; and approving the comprehensive policy prepared by the Water Department to govern the use and assignment of City-owned vehicles.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by
Commissioner Hardeman, the following resolution was adopted:

93-0054 WD Approving substitution of subconsultant, Powell & Partners, for
Fleming Corp., to perform the architecture services for the San
Francisco Water Department Total Utility (SCADA) Project.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by
Commissioner Carson, the following resolution was adopted:

93-0055 UEB Approving the final scope of the J&M Layover Project to include
two high-level center boarding platforms, relocate Crespi Drive to
accommodate the turnaround of the M-streetcar line, new
crossover tracks, and re-railing of the existing tracks at 19th
Avenue and Junipero Serra Boulevard; and approving bid call for
Municipal Railway Contract No. MR 895, 19th Avenue
Improvement - Phase I, for the construction of two high-level
center platforms.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by
Commissioner Jefferson, the following resolution was adopted:

93-0056 UEB Approving Amendment No. 2 to the professional services
agreement with Gannett Fleming Inc., for Functional Analysis and
Conceptual Engineering for the Woods Facility Rehabilitation and
new Islais Creek Maintenance Facility Project; and authorizing the
Manager, Utilities Engineering Bureau, to execute said
Amendment No. 2.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0057 UEB Rescinding the award of San Francisco Water Department Contract No. WD-2131, Install Permanent Work Platforms/Water Supply Division which was awarded to Echo West, Inc.; and authorizing readvertisement of the contract under Water Department Contract No. WD-2131R.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

- 93-0058 Accepting the work performed under San Francisco Water Department Contract CS-439, Emergency Inspection and Evaluation of Bay Division Pipeline No. 4 - Section C, as satisfactorily completed; approving Debit Contract Modification No. 1 (Final); and approving final payment to the consultant, Villalobos & Associate, in the amount of \$28,990.68.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:

- 93-0059 GM Setting March 23, 1993 at 2:00 p.m. in Room 282, City Hall, San Francisco, California as the date, time and place to hold a public hearing on water rates.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS

Commissioner Hardeman reported that he attended the meeting of the 19th Avenue Committee on February 17, 1993. He complimented staff and the committee members for a very good presentation.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner Jefferson made a motion to send a letter of commendation to the police officer who helped apprehend the suspect in the stabbing of a Muni bus operator. Commissioner Makras seconded. The motion passed unanimously.

REPORT OF THE GENERAL MANAGER

MANDATORY WATER RATIONING PROGRAM

Anson B. Moran, Acting General Manager, Public Utilities, advised the Commission that staff projects the chances of not filling our reservoirs is far less than 1%. He reported that data gathered by staff showed 140% of normal precipitation, and 140-50% of snow pack. He stated that the Water Department is now in a position to end the mandatory rationing program and remove the excess use charges. The standard procedure in lifting water rationing requires that the Public Utilities Commission hold a public hearing. Mr. Moran suggested that the Commission set a public hearing and make the Commission's action retroactive to this meeting date, February 23, 1993.

Commission Jefferson moved and President Yu seconded that the Commission take action on this item that was not on the calendar. The motion passed unanimously.

Commissioner Makras moved and Commissioner Yu seconded to set a public hearing on March 23, 1993 at 2:00 p.m. in City Hall, Room 282, to consider elimination of the mandatory water rationing program and the excess use charges.

Mr. Moran advised that at the same meeting, staff would request the Commission to set another public hearing to consider the water rates schedule for next year which will take effect on July 1, 1993.

BUDGET

Mr. Moran reported that the Public Utilities Commission's share in the deficit for the current year is in the \$2M-\$3M range, less than the \$5.5 million discussed previously. Mr. Moran reported that staff is reviewing some options to balance the budget such as: restriction of overtime authorization for bus operators, implementation of a mandatory furlough, Muni fare increase, reduction of City Attorney's costs, and layoffs.

Commissioner Makras suggested that staff clarify its recommendations on the \$2.5 million deficit.

Commissioner Jefferson stated he would like a confirmation from staff that reopening of MOUs will be done City-wide. He said that he would like to see that those unions

representing PUC employees are not disproportionately affected.

CABLE CAR TURNAROUND

Johnny Stein, General Manager, Municipal Railway, reported that he attended a hearing of the Board of Supervisors' Safety and Health Committee regarding the Powell & Market Street Cable Car Turnaround. Mr. Stein stated that the Municipal Railway was experiencing a lot of problems and was losing approximately \$500,000 in revenues because of illegal activities at this location.

Mr. Stein said that the Committee passed a resolution urging the Mayor to urge the PUC to change the cable car fare structure to a one-way fare and eliminate the five ticket machines at Powell and Market Streets. The Committee, after hearing testimonies from the public, recommended that the business establishments around the area could sell cable car tickets. The business owners were willing to sell the tickets at no cost to the City.

Resolution No. 93-0055: Approving the final scope of the J&M Layover Project to include two high-level center boarding platforms, relocate Crespi Drive to accommodate the turnaround of the M-streetcar line, new crossover tracks, and re-railing of the existing tracks at 19th Avenue and Junipero Serra Boulevard; and approving bid call for Municipal Railway Contract No. MR 895, 19th Avenue Improvement - Phase I, for the construction of two high-level center platforms.

This item was taken out of order.

Commissioner Jefferson asked staff whether PUC would be required to payback the Federal Transit Authority if the J/M service is not completed as reflected in the approved scope of work. Fred Howell, Acting Director of Finance, replied affirmatively. He stated that the primary issue in this project is the completion and implementation of the J line loop service.

Don Birrer, 19th Avenue Project Facilitator, suggested that the safety issues and physical track should be addressed in the summer.

The following members of the public spoke urging the Public Utilities Commission to proceed with the project as recommended by Mr. Birrer: Tom Karnes, Chairman of the Muni Accessibility Advisory Committee; Larry Rowell; Catherine Sanders; Richard Jefferson; Jim Herlihy, 19th Avenue Coalition Project; Robert Pender; Anthony M. Pereira; and Henry Ortiz. Bill Kuhns and Anthony G. Sacco opposed the revised plan because it did not include J-Line loop service. Andrew Lipsett expressed concern that project cost has not yet been identified.

Commissioner Hardeman moved, and Commissioner Carson seconded to approve

this project. The motion passed unanimously.

Resolution No. 93-0050: Authorizing negotiations to pursue a lease-purchase option of 700 Pennsylvania Avenue or other suitable site for the relocation of the Municipal Railway's Ways & Structures Division.

Members of the public who spoke opposing the project were Andrew Lipsett and Dr. Frank Claus.

Mr. Moran advised the Commission that there was a problem with the jurisdictional transfer of the property at 24th and Utah Streets to the Parking Authority. He suggested that the Commission amend the resolution to delete the portion about authorization of the transfer. President Yu moved, and Commissioner Makras seconded to consider amendment of the resolution.

Mr. Moran stated that staff would report to the Commission when the problem with the transfer was resolved. Commissioner Jefferson suggested that with respect to the timing of the relocation, he would like the report to state that the Mayor's Office urged the Municipal Railway to expedite this matter.

President Yu moved and Commissioner Jefferson seconded to adopt the resolution as amended. The motion passed unanimously.

Resolution No. 93-0051: Approving the "pay-as-you-go" capital program strategy for improvements to the existing Municipal Railway system and Waterfront transportation projects; approving deferral of selected extension projects until after the year 2001; and adopting the recommended list of Capital Project Priorities.

Fred Howell, Acting Director of Finance, presented a brief background of the project and explained the purposes and procedures in setting priorities for the Municipal Railway capital improvement programs.

Davis Schwartz, President of Capital Partnership Inc. and consultant for the San Francisco Transportation Authority, explained the rationale in ranking the capital programs and explained key issues relating to the programs. One of the issues he mentioned was that the Municipal Railway is projecting a \$276 million operating deficit over the next nine years and has an \$881 million shortfall in currently programmed capital funds. Another issue is that the Municipal Railway would need \$2.3 billion to fund its prospective capital programs. The Transportation Authority is reserving \$182 million of tax revenues for a Bayshore Corridor Project. The study of the corridor will be completed by the end of calendar 1993.

Mr. Schwartz advised that the Federal Transit Authority has a policy called "financial capacity assessment". This policy provides that an agency such as the Municipal Railway show their financial, technical and organizational capacity to build, operate and maintain a transportation system.

Mr. Schwartz recommended three strategies to ensure that Muni's capital programs are funded: (1) "pay as you go"; (2) deliver the \$2.3 million projects; and (3) apply lease financing techniques. The staff recommended the "pay as you go" strategy, which would accomplish programs with available funding and then pursue additional funding to accomplish other programs.

Mr. Schwartz suggested deferring all rail expansion projects south of 6th Street until the result of the Bayshore Corridor Project is determined and the revenue source to fund the Metro East project is certain. He also suggested deferring trolley coach replacements and the extension of trolley service to Mission Bay totaling \$238 million.

Mr. Schwartz pointed out that there are issues remaining to be resolved such as: results of the Bayshore Corridor Study; the fare increase decision; the City's Budget hearing and its impact to Muni's operating budget; and the Transportation Authority's strategic plan for transit. He asked that the Commission proceed with the fare increase and budget hearing and address the multiyear \$276 million cumulative operating deficit. He advised the Commission that he will report in 12 months with additional information.

Douglas Legg, a representative of the Metropolitan Transportation Commission (MTC) explained MTC's guidelines in scoring the projects.

President Yu expressed concern in the ranking of the projects and asked why equity issues were not addressed. She suggested that staff conduct a workshop to address equity issues and continuance of existing projects.

President Yu emphasized we need to recognize the obligation to provide service to the community. She pointed out that the Commission would approve the project priorities with the understanding that staff will report to the Commission to address the service issue.

Commissioner Hardeman suggested that staff be flexible in reviewing the Bayshore Corridor project to help revitalize that community.

Andrew Lipsett suggested that with respect to Central Shops relocation, the Municipal Railway should look at the Caltrans Office at 150 Oak Street. He also suggested that the Commission ask the Mayor to rescind the hiring freeze.

THEREUPON, THE MEETING WAS ADJOURNED: 5:25 P.M.

Romaine A. Boldridge
Secretary

MINUTES

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Frank M. Jordan
MAYOR

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REGULAR MEETING

Legislative Chamber of the Board of Supervisors, City Hall
2:00 P.M.
March 9, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:20 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the Minutes of the Special Meeting of February 11, 1993, and the Minutes of the Regular Meeting of February 23, 1993 were approved as amended.

RESOLUTION

NO.

On motion of Commissioner Makras, seconded by Commissioner Carson, the following resolution was adopted:

93-0060 MR Urging the Mayor to approve funds to rehire car cleaners for the remainder of this fiscal year; and authorizing the establishment of a Task Force to work as a liaison to the Board of Supervisors and the Mayor to continue the program.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0061 BF Authorizing the Public Utilities Commission General Manager to implement specific deficit reduction measures for the Municipal Railway's budget in 1992-93.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0062 HH Authorizing the General Manager of the Public Utilities Commission to execute a 6-month extension to the agreement with the U.S. Fish and Wildlife Service to finalize the fishery study along the Tuolumne River at no cost.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0063 UEB Granting approval to execute Contract Modification No. 1 to Water Department Contract WD-2118, CDD Yard Underground Tank Replacement, with Walton Engineering, Inc..

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0064 BF Approving collection of charges for damages against the San Francisco Municipal Railway and the Bureau of Light, Heat and Power for the month of January 1993.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0065 HH Authorizing the General Manager of the Public Utilities Commission to execute the First Amendment to the Agreement with Metzger, Hollis, Gordon & Mortimer for legal services increasing the contract amount by \$250,000, for a contract total of \$649,000 and extending the contract term to June 30, 1994.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0066 HH Authorizing the General Manager of the Public Utilities Commission to execute the Eighth Amendment to the Agreement with Grueneich, Ellison & Schneider, for legal services, increasing the contract amount by \$175,000, for a total amount not to exceed \$2,337,500, and extending the contract term to October 31, 1994.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0067 HH Authorizing the General Manager of the Public Utilities Commission to execute the Third Amendment to the Agreement with Ellis & Prioleau, P.C., for legal services, increasing the contract amount by \$161,000, for a total amount not to exceed \$495,000, and extending the contract term to June 30, 1994.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0068 HH Authorizing the General Manager of the Public Utilities Commission to execute the Fifth Amendment to the Agreement with Jackson Research Project, for professional historical consulting and archiving services, increasing the contract amount by \$10,000 for FY 92-93, for a total amount not to exceed \$442,240.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0069 HH Authorizing the General Manager of the Public Utilities Commission to execute the First Amendment to the Agreement with David M. Dornbusch & Company, Inc., for economic consulting services, extending the contract term to June 30, 1994, with two optional 1-year renewals and increasing the contract amount by \$50,000, for a contract total not to exceed \$250,000.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0070 HH Authorizing the General Manager of Hetch Hetchy Water and Power to negotiate and execute an agreement with Daniel B. Steiner, Consulting Engineer, with an initial funding not to exceed \$100,000 for an initial term through June 30, 1997; and negotiate and execute a contract modification with Bookman-Edmonston Engineering to reduce the contract amount from

\$839,500 to \$739,500 and effectuate assignment of the corresponding portion of Bookman-Edmonston work to Daniel B. Steiner.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0071 MR Determining that the post award protest received on Municipal Railway Contract No. MR-1035R, Kirkland Motor Coach Facility Security Fencing & Gates, is without merit; and directing staff to direct the Contractor, Angotti & Reilly/T.E. Joo, to proceed with the contract work as awarded under Resolution No. 92-0151.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0072 UEB Authorizing the Manager of the Utilities Engineering Bureau to execute Amendment No. 1 to Professional Services Agreement No. CS-434 with Sedgwick/Carrie/Leong in an amount not to exceed \$1,075,000 through May 1, 1998 to implement and administer the Owner Controlled Insurance Program (OCIP) during the construction phase of the Muni Metro Turnaround Project.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0073 BF Authorizing the General Manager, Public Utilities Commission, to modify the contract with Williams, Adley and Company for auditing and consulting services by extending the contract term from January 1, 1993 to June 30, 1994 and increasing the funding by an additional \$185,000.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

Commissioner Makras suggested urging the Mayor's Office to approve a supplemental appropriation to rehire car street cleaners and continue the Clean, On-Time Program. Commissioner Makras made a motion to establish a task force that will serve as liaison to the Board of Supervisors and the Mayor to continue the Clean, On-Time Program. Commissioner Carson seconded. The motion passed unanimously.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

Commissioner Makras suggested that staff calendar the billboard bus advertisements at the next regular meeting to discuss related policy issues.

Resolution No. 93-0061: Authorizing the Public Utilities Commission General Manager to implement specific deficit reduction measures for the Municipal Railway's budget in 1992-93.

Anson B. Moran, General Manager, Public Utilities Commission, reported that the Municipal Railway's FY 1992-93 budget deficit is \$5.5 million. The Mayor's Office advised PUC to provide a plan to reduce \$2.5 million of the deficit.

Fred Howell presented budget deficit reduction measures such as: deferral of payment to the Joint Powers Board (\$550,000); Miscellaneous Salary Savings (\$300,000); Platform Savings (\$200,000); Non-Salary Savings (\$697,000); Bureau Furloughs and Non-Salaried Employees (\$100,00); and Mandatory Furloughs (\$500,000).

Commissioner Makras expressed his opposition to sell PUC assets in order to balance the City's budget. He made a motion to remove the Joint Powers Board payment deferral and the Clean, On-Time Program from the budget reduction measures and adopt the rest of the reduction measures. Commissioner Jefferson seconded. The motion passed unanimously.

President Yu moved and Commissioner Jefferson seconded to give latitude to the General Manager of the Public Utilities Commission to negotiate with the Mayor's Office on additional budget reduction measures, whether to implement additional mandatory furloughs or pursue the Joint Powers Board deal. The motion passed unanimously.

Staff would report to the Commission if a declaration of surplus is still necessary to reduce the budget deficit.

Public Hearing

Item No. 9: To consider the Municipal Railway's fare increase proposal.

Item No. 10: To consider the Municipal Railway's proposal for service reductions.

Anson B. Moran, General Manager, Public Utilities Commission, reported that next year's PUC budget has a \$30 million shortfall. Mr. Moran emphasized that the recommendations for the fare increase and service reductions, were made to reduce parallel service and meet PUC's financial obligations. The service reductions proposed would reduce Municipal Railway's operating cost by \$2 million on an annualized basis.

Mr. Moran mentioned the various bus lines of which services will no longer be cut: 2, 12, 14, 17, 18, 19, 26, 27, 35, 36, 37, 59, 60, 44, 49, 54, 67, 83, 89, and LRV Surface.

The following members of the public spoke opposing the Municipal Railway's proposed fare increase and/or service reductions: Ellen Murray (Muni Bus Operator), Richard Becker (All Peoples Congress), Pedro T. Gomez, Jack Gelman, Sameera Thurmond, Samuel R. Ganczaruk, B.P. McElligott, Cheryl Abel, Dan Venable (Local 790 Car Cleaner), H. M. Schreiber, Wayne Marmon (Grosvenor Bus Lines), Gloria La Riva (Movement for a Peoples Assembly), Marvis J. Phillies, Ray J. Antonio (Transport Workers Union 250-A), Keith Cogswell, Bill Price, and Jeanne Lynch (Senior Action Network), Bill Modine, Harold Bell (Muni Bus Operator), John Murray (INCAR & P.L.P), Bobbie L. Brown (Transport Workers Union 250-A), Luis M. Montano, Mrs. Murillo and Ms. Davila (Mission Neighborhood Centers), Josie Mooney (Local 790), Stephanie Hedgecoke, Larry Martin (Transport Workers Union), Janis Berwitt, Walter Johnson (San Francisco Labor Council), Artie Ree Morgan, Frederick Caruso (St. Mark Lutheran), Henry Holmes (Urban Habitat Program), Jeff Bullard, Bruce Baginski, Keith Pavlik (All People's Congress), Ben Wahder, Peter Doty, Leatrice Remo, Phillip Seronick, Neil Mick (Bay Area Arts School), Espanola Jackson, Richard Powers, Patricia Luddington, Randy Millburn, Jackie Sachs, Chris Martinez (Wallenberg High), Alice Fialkin (Transport Workers Union, Local 200), Tasha Kollor, Anya-Malka Halevi, Norman Rolfe (S.F. Tomorrow), Lois Miyashiro,

William Walker, David Varnum, Joseph Green, Lynne Buther, Herbert Weiner, Vernon O'Gilvie, June M. Fisher, and Cherilyn Green.

The President closed public testimony on the Muni fare increase and service reduction proposals. This matter was continued to April 13, 1993.

Public Comment:

Steve Geiser and Craig Arthur, Co-Chairs of the Friends of the Cable Car Museum, spoke about the proposal they submitted to the Commission to manage the Cable Car Museum.

Announcement:

Anson B. Moran, Public Utilities Commission General Manager, announced that Ernest Geddes, General Manager of Turlock Irrigation District, had died. President Yu moved, and Commissioner Makras seconded a motion to express the Commission's appreciation for his services to the water industry and acknowledgment of his loss. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 7:40 P.M.

Romaine A. Boldridge
Secretary

APR 9 1993

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CITY AND COUNTY OF SAN FRANCISCO

**Frank M. Jordan
MAYOR**

REGULAR MEETING

**Room 282, City Hall
2:00 P.M.**

March 23, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

**Anson B. Moran
ACTING GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Call to Order: 2:20 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the Minutes of the Regular Meeting of March 9, 1993 was approved as amended.

Commissioner Makras arrived at 2:25 p.m. after approval of the minutes.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0074 GM Suspending the Public Utilities Commission rules of order to schedule the regular meeting of the Commission on April 13, 1993 for 4:00 p.m. in Room 282, City Hall, and continue the public hearing on Municipal Railway fare increase and service reduction proposals at 6:00 p.m. in the Chamber of the Board of Supervisors.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0075 WD Designating April 27, 1993, at 2:00 p.m., in Room 282, City Hall as the date, time, and place to hold a public hearing to consider rate adjustments for water service and water supplied by the San Francisco Water Department and to consider fee adjustments for various permits and services provided by the Water Department.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0076 BF Approving collection of charges for damages against the Municipal Railway, Hetch Hetchy and the Bureau of Light, Heat & Power for the month of February 1993.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:
- 93-0077 UEB Authorizing the Manager of the Utilities Engineering Bureau, to execute Amendment No. 5 to the Agreement with Morrison-Knudsen Engineers, Inc., for performing design and field engineering services on an "As Needed" basis, to extend the completion date of the agreement to June 30, 1993.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:
- 93-0078 UEB Accepting the work performed by Abbett-Yick under Contract No. MR-881, Electrification of No. 31 Balboa Line; approving the final credit modification in the amount of \$364,806.26 for a total contract cost of \$10,861,012.74; approving an extension of time of 158 calendar days for unavoidable delays; and authorizing final payment of \$243,995.51 to Abbett-Yick.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:
- 93-0079 UEB Approving Amendment No. 4 to the professional services contract with Dames and Moore to provide additional professional services for the Priest Dam Stability Study at no additional cost; and extending completion time from August 30, 1991 to December 31, 1993.
- VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:
- 93-0080 WD Requesting the Controller to transfer \$500,000 from surplus funds in the Water Department's miscellaneous salaries appropriation to the Stores Revolving Fund, increasing the Stores Fund to \$2,985,992.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0081 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2009, Baden Pump Station Improvements, as satisfactorily completed; approving Debit Contract Modification No. 2 in the amount of \$8,719.40; and authorizing final payment in the amount of \$22,838.75 to the contractor, E. Mitchell, Inc.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0082 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2079, 8-Inch Ductile Iron Main Installation in Rivera Street, 38th to 41st Avenue, and various locations on Pacheco Street, 35th, 37th, 39th, 41st and 42nd Avenue, as satisfactorily completed; approving Debit Contract Modification No. 1 in the amount of \$36,313.00; authorizing an extension of time for unavoidable delays of 36 working days; and authorizing final payment in the amount of \$28,477.80 to the Contractor, P&M Pipelines and Coast-Geo Constructors, Inc.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by President Yu, the following resolutions were adopted:

- 93-0083 HH Adopting the following resolutions and directing staff to work with the Mayor's Office and the Board of Supervisors to acquire funding to provide necessary staffing and programs to accomplish the goals and objectives identified in the attached policy statements.
- 93-0084 (a) Defense of Water Rights
- 93-0085 (b) Conservation, Reclamation and Ground Water
- 93-0086 (c) Dry Year Options and Supply Augmentation
- 93-0087 (d) Bay Area Water Supply Planning
- 93-0088 (e) Environmental Improvements

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0089 WD Approving ending the Mandatory Water Conservation Program; approving the establishment of a comprehensive long term conservation program; requesting the Controller to transfer funds for temporary salaries and related fringe benefits in the amount of \$113,500 from the Water Rationing Programmatic Budget to the Water Conservation Programmatic Budget; and modifying Fiscal Year 1993-94 Water Department Budget Request by increasing the Water Conservation Program Budget by \$631,521 and deleting the Water Rationing Program Budget.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0090 WD Rescinding Water Rate Schedule W-42 ,Water Use in Excess of Allotment, effective with meter readings made on or after February 23, 1993.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0091 MR Approving a 12-month extension of the Concession Agreement at the Cable Car Barn Museum with the Pacific Coast Chapter of the Railway and Locomotive Historical Society; authorizing the Acting General Manager of the Public Utilities Commission to execute the second amendment to Concession Agreement and any further amendment extending the agreement; authorizing the Municipal Railway to secure an appropriate security for the museum; and authorizing the Municipal Railway to develop a request for proposals for an operator to secure financing and implement improvements to the museum.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

President Yu made a motion to suspend the Public Utilities Commission Rules of Order to move the meeting on April 13, 1993 to 4:00 p.m. in Room 282, City Hall and schedule the continuation of the public hearing on the Municipal Railway fare increase and service reduction proposals at 6:00 p.m. in the Chamber of the Board of Supervisors. Commissioner Jefferson seconded the motion stating that many speakers at the March 9 meeting requested that the Commission hold the next hearing on Muni proposals during the evening. The motion passed unanimously.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

Commissioner Jefferson complimented the Acting General Manager, Anson B. Moran, for restructuring the calendar format.

President Yu commended John Deakin, Director of the Bureau of Energy Conservation, for his efforts in providing technical information about energy cost-saving options to City and County departments.

With regard to the mandatory furlough program, Commissioner Makras asked staff to check whether there are positions, where if furloughed, would require somebody to work overtime. He mentioned that station agents fall in this category. Mr. Moran replied that Muni management and PUC staff are reviewing this matter on a position by position basis.

REPORT OF THE GENERAL MANAGER:

Budget Status

Anson Moran, Acting General Manager of the Public Utilities Commission, reported on the status of the mandatory work furlough. He stated that the pool of people who would be required to take the work furlough has expanded. He said that eligible employees would be required to take four days mandatory work furlough. The Transport Workers Union may be included in the pool by the end of the month.

Mr. Moran reported that \$3.5 million is needed to pay for the cost of claims. \$2.5 million would be needed to fund a portion of the claims through the current year. The remainder would be rolled over to the next fiscal year.

Mr. Moran stated that there is an increase in City Attorney's charges. Staff is working with the City Attorney's Office to find ways to minimize the cost to PUC.

With regard to next year's budget, Mr. Moran stated that the Mayor's Office is continuing to negotiate wage packages with the labor unions. The Mayor is also dealing with the budget deficit estimates.

Mr. Moran said that he had instituted a program where senior management will ride Muni buses twice a week starting with the top level of Muni management in order to give them

better consumer orientation.

Commissioner Jefferson asked about the hiring freeze relative to transit operators. Mr. Moran explained that the Controllers Office has not been processing the requisitions for transit operators. Commissioner Jefferson suggested writing a letter to the Mayor's Office to advise him of the implications to Muni operations if the requisitions are not processed.

Commissioner Makras expressed his opinion that there is no rationale in planning an expansion program while there are concerns about missed service and proposal for service cuts. Planning an expansion would only increase Muni's operational costs. He suggested working to balance resources and operating costs and identifying where the wastes are.

Commissioner Jefferson suggested, that at the April 13, 1993 meeting, staff should present a comparison report on Municipal Railway's performance based on factors such as fare, ridership and performance of mass transit systems in other cities.

Commissioner Yu suggested sending a letter to the Mayor's Office requesting that the personnel requisitions for bus operators be processed so that missed service can be avoided when the mandatory work furlough is in effect.

Calendar Format

Mr. Moran described the changes in the calendar format. The new calendar format provides focus on key issues. The public comment portion was moved before the normal order of business.

Public Comments:

Bob Planthold expressed concern that the Municipal Railway has not been taking a lot of creative measures to provide transit accessibility to disabled people.

Jeff Bullard suggested exploring other means to solve the budget problem and not put the burden on the public by raising Muni fares and reducing services.

Bobbie Brown, Transport Workers Union, Local 250A, requested that the City provide necessary resources for the Municipal Railway to operate efficiently. He suggested that PUC should look for other ways to solve the budget problems.

Jano Oscherwitz, Local 790, spoke urging the Commission to rehire the car cleaners.

Jim Scott, reported an alleged irregularity in charges made by Burns Security Agency. President Yu directed the General Manager to investigate this matter.

Resolution Nos. 93-0083, 93-0084, 93-0085, 93-0086, 93-0087, and 93-0088: Adopting the following resolutions for Hetch Hetchy, Water and Power: General Policy, Defense of Water Rights, Conservation, Reclamation and Ground Water, Dry Year Options and Supply Augmentation, Bay Area Water Supply Planning, and Environmental Improvements.

Commissioner Makras made the motion to adopt the resolutions listed above and directed staff to prepare a business plan and specify the source of funds with which to implement the resolutions. Commissioner Yu seconded. The motion passed unanimously.

Resolution No. 93-0089: Approving ending the Mandatory Water Conservation Program; and approving the establishment of a comprehensive long term conservation program.

John D. Mullane, General Manager, Water Department, reported that he attended a meeting of the Health & Safety Committee of the Board of Supervisors. Mr. Mullane conveyed Supervisor Hallinan's message to the Commission that it is not necessary to expand staff during these budget times; the Water Department does not have to worry about planning for long term water supply issues; and that the Board of Supervisors has the authority to take revenues from the Water Department to better serve the needs of the overall community in the City. Commissioner Hardeman expressed his opposition to these statements.

Doug Short, President, Bay Area Water Users Association, and General Manager of Belmont Water District, stated that their association concurs with the Water Department's recommendation to rescind the mandatory rationing program and begin a voluntary conservation program. He stated that he agrees with long term water supply planning.

Commissioner Hardeman moved to adopt the resolution. President Yu seconded. The motion passed unanimously.

Resolution No. 93-0090: Rescinding Water Rate Schedule W-42 ,Water Use in Excess of Allotment, effective with meter readings made on or after February 23, 1993.

Commissioner Hardeman asked about the implication of the rate change in relation to water usage in hotels and commercial buildings. Mr. Mullane stated that he spoke with general managers of various major hotels and the head of the Hotel Council and they think that this change would have no implication to the hotel industry. Mr. Mullane stated that the Water Department is going to recommend to the Commission a conservation oriented rate structure, such as an increasing rate block for residential and apartment buildings. The Water Department staff would be talking with other utility companies to get information on how their rate structures are set up.

Eva Skoupis, who owns a Laundromat, spoke urging the Commission to adopt a special rate for commercial water users.

Commissioner Yu made a motion to rescind the water rate schedule. Commissioner Jefferson seconded. The motion passed unanimously.

Item No. 13: Report on the Municipal Railway Bus Ads.

Johnny Stein, General Manager, Municipal Railway, reported that no legal issues are involved in this project because the contract with the Transportation Display Inc. (TDI) provides for experimental modes of advertising. Mr. Stein stated he supports continuation of this project because of possible revenues for the Municipal Railway. He explained that this program would bring an estimated revenue of \$5,000 per bus, per month and Muni would be receiving 65% of the total revenues. Between 50 to 60 buses would be involved in the project.

Commissioner Makras concurred with Mr. Stein's decision to proceed with the program because of potential revenues to the City. He was concerned that the buses were not readily identifiable as Muni vehicles and the windows were also covered with advertising. He also mentioned that the project possibly violated an ordinance passed by the Board of Supervisors banning moving billboards. Commissioner Carson expressed support of the project because of potential revenues.

Commissioner Jefferson requested that staff report to the Commission in about 90 days to determine if there are policy issues that would need to be raised and to get input from the public.

The following individuals commented on this item:

Bobbie Brown, Transport Workers Union, Local 250A, stated that the Transport Workers Union supports this program.

Lisa C. Salieri said that it was difficult to recognize the buses in moving traffic and the destination signs are difficult to see for people who are vision impaired.

Shelley Elvira Salieri stated that the covered windows distort the view of the passengers and it is difficult to read street signs and house numbers. It is also difficult to recognize the Muni buses.

Samuel Ganczaruk expressed his support of the project because of possible revenues. He stated that there are negative public reactions on the project because the windows are covered by advertising.

Resolution No. 93-0091: Approving a 12-month extension of the Concession Agreement at the Cable Car Barn Museum with the Pacific Coast Chapter of the Railway and Locomotive Historical Society.

Commissioner Makras suggested amending the resolution to eliminate the proposed 12-month optional extension of the agreement. He believed that one year is sufficient time to develop a Request for Proposal (RFP) to hire a new concessionaire at the Cable Car Museum.

Commissioner Jefferson moved to eliminate the second 12-month extension of the agreement. President Yu seconded. The motion passed unanimously.

Commissioner Makras suggested that in order to speed up the RFP process, staff should streamline the RFP and require interested parties to submit a business proposal. Commissioner Jefferson suggested including the standards that are expected to be met. Commissioner Yu directed staff to report in three months on the status of the project and identify the estimated time of completion.

The following individuals commented on this item:

Craig Arthur, Ken Waters, and Steve Geister, representatives of the Friends of the Cable Car Museum, spoke urging the Commission to hire a permanent concessionaire and consider their proposal to run the Cable Car Museum.

Jose Godo, United Brass Foundry, spoke supporting the proposal of the Friends of the Cable Car Museum.

Christopher Melching, owner of Cable Car Specialties, commented that the museum did not warrant an admission fee.

Shelley Salieri commented that the museum needs a creative manager.

Sam Ganczaruk supported the proposal of the "Friends of the Cable Car Museum".

Commissioner Yu moved to extend the agreement for 12 months until a new operator is selected. Commissioner Makras seconded. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 4:45 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

SPECIAL MEETING

Room 2-C, City Hall
3:00 P.M.
April 12, 1993

DOCUMENTS DEPT.
MAY 3 - 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

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DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 3:10 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner James D. Jefferson, Commissioner Patricia A. Carson

Absent: Commissioner Victor G. Makras

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

PRESENTATION BY CAPITAL PARTNERSHIPS INC.
ON THE MUNICIPAL RAILWAY'S
FINANCIAL, TECHNICAL AND MANAGERIAL CAPACITY ASSESSMENT
OF THE MUNI CAPITAL PROGRAM

Dave Schwartz of Capital Partnerships Inc., consultant, outlined the background of the financial capacity assessment of the Municipal Railway capital program. He stated that the financial capacity assessment was a federal requirement for transit agencies to demonstrate that they could afford to operate and maintain the current transit system before they recapitalize and expand. Capital Partnerships, Inc. was hired by the Transportation Authority to conduct the financial capacity assessment for the Municipal Railway.

Mr. Schwartz presented a recap of the results of the financial capacity assessment and the Muni capital program adopted by PUC on February 23, 1993. Mr. Schwartz explained that the Municipal Railway would be facing an operating budget deficit between \$167 million and \$581million for the next eight years.

Mr. Schwartz recommended that in addressing projected deficits, the Municipal Railway should adopt a combination of measures such as: increasing fares periodically, maintaining the level of General Fund support, improving long-range productivity, sales tax funding of incremental operations and maintenance costs, and finding additional revenue sources. Other financial recommendations for the Municipal Railway Capital Program included adopting the "pay-as-you-go" funding of the \$1.3 billion capital replacement program and waterfront transit projects, deferring \$1.0 billion in rail expansion, trolley coach replacement/expansion, adopting the list of capital project priorities recommended by the Muni Capital Improvement Program Task Force and the Financial Capacity Assessment consultant, and revisiting the recommended capital program strategy in 12 months.

Mr. Schwartz outlined some issues that should be addressed concerning Muni's ability to deliver on its capital program such as: (1) long-range system and facilities planning; (2) organizational control; (3) organizational development; (4) project cost estimating; (5) project

scheduling and cost control; (6) force account management; (7) grants management; and (8) construction claims.

The issue concerning organizational control was that there is no agency within the PUC organization directly responsible for the whole capital program. Mr. Schwartz' recommendation to address this issue was to establish a Muni Capital Program Division that would be headed by a Deputy General Manager. An analysis of actual staffing requirements will be done once the Deputy General Manager of Capital Program is established. President Yu suggested preparing an analysis to justify creation of the Muni Capital Program Division.

Another recommendation made by Mr. Schwartz was the transfer of the Utilities Engineering Bureau staff either to the Muni Capital Program Division or the Department of Public Works.

Commissioner Jefferson suggested recommending to the Mayor and the Board of Supervisors to consider dedicated tax funds to support the transit system.

Public Comment:

Bob Planthold commented on the disability access information provided in the PUC calendar.

Michael Cook, representative of the Auto Machinists Union, Local 1305, suggested that the Commission review its contracts and either bring more work in-house or let more contracts to local vendors. He also suggested buying quality parts and supplies for use at the shops rather than buying cheaper but poorer quality materials.

THEREUPON, THE MEETING WAS ADJOURNED: 4:55 P.M.

Romaine A. Boldridge
Secretary

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MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
4:00 P.M.
April 13, 1993

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COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 4:00 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

On motion of President Yu, seconded by Commissioner Carson, the Minutes of the Regular Meeting of March 23, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

**RESOLUTION
NO.**

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0092 WD Rescheduling the public hearing on April 27, 1993 to May 11, 1993 at 2:00 p.m. in Room 282, City Hall, San Francisco, as the date, time and place to consider proposals for rate adjustment for water service and water supplied by the San Francisco Water Department and to consider proposals for fee adjustments for various permits and services.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0093 BF Authorizing the Assistant General Manager of Finance, to apply for, accept and expend \$9,940,616 of FTA Section 3 and \$16,761,905 of Section 9 capital assistance, including the required local match funds, derived from the President's Economic Stimulus Initiative to finance the purchase of replacement trolley coaches.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0094 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Water Department totaling \$18,000.00.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson
 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0095 WD Authorizing the General Manager of the Water Department to extend the 36-month Agreement with Information and Support Services for the development of a system-wide Water Education Program for an extension in time only of eight months to December 31, 1993.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson
 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0096 WD Authorizing the General Manager of the Water Department to extend the Memorandum of Understanding with the Bay Area Water Users Association (BAWUA) to continue a regional groundwater assessment study in the San Francisco Water Department service areas within San Mateo, Santa Clara and Alameda counties.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson
 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0097 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2097, 8-Inch Ductile Iron Main Installation in Front Street between Jackson and Union Streets; Broadway between Davis and Front Streets; Davis Street between Broadway and Vallejo Streets; Vallejo Street Between Davis and Front Streets.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson
 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0098 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2138, 8-Inch Ductile Iron Main Installation in Bryant Street between 22nd and 24th Streets, York Street between 22nd and 26th Streets, and Hampshire Street between 22nd and 25th Streets.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0099 UEB Granting approval to execute Contract Modification No. 2 to Water Department Contract No. WD-2118, CDD Yard Underground Tank Replacement Project, with Walton Engineering, Inc., to extend the contract completion time by twenty-one (21) calendar days and to increase the contract amount by \$20,000.00 for a total contract amount of \$406,906.00.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0100 UEB Approving the substitution of contractor, MWP Pacific Engineering, Inc., for Western Weltek to perform welding work for the San Francisco Water Department Contract No. WD-2115, San Andreas Pipeline No. 3 Rehabilitation.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

 ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0101 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2095, Pilarcitos Forebay-Repair Walkway and Slide Gates, as satisfactorily completed, approving Credit Modification No. 2 in the amount of \$1,187.81 and authorizing final payment in the amount of \$8,466.21 to the contractor, Valentine Corporation.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0102 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2100, 8-Inch Ductile Iron Main Installation in Treat Avenue between 20th Street and 26th Street.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0103 UEB Authorizing bid call for Municipal Railway Contract No. MR-899, Modifications to the Geneva Yard and Shop.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0104 UEB Approving modification to Municipal Railway Contract No. MR-894, Upper Market Street Transit Thoroughfare Project, Phase 3-Duboce to Castro, to complete the contract work in 602 calendar days instead of 700 calendar days.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0105 H&S Requesting the Board of Supervisors to authorize the General Manager, Public Utilities Commission, to apply for, accept and expend grant funds up to a maximum of \$75,000 from the 1993 Occupational Safety and Health Training and Education Grant from the California Department of Industrial Relations, Health and Safety Commission, for the PUC Office of Health and Safety.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0106 MR Authorizing the circulation of a Request for Proposal (RFP) for professional services to undertake the Geary Corridor System Planning Study in an amount not to exceed \$285,000.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0107 MR Authorizing the circulation of a Request for Proposal to provide consultant services for the San Francisco paratransit planning program.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of President Yu, seconded by Commissioner Makras, the following resolution was adopted:

93-0108 MR Authorizing the General Manager of the Municipal Railway to apply for \$1,836,000 in federal funds for the Cable Car Museum rehabilitation project; and authorizing the General Manager of the Public Utilities Commission to apply for \$411,000 from the San Francisco Municipal Railway Improvement Corporation to be used as matching funds for ISTEIA Transit Enhancement Activities should they be awarded for upgrading the Cable Car Museum.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0109 BF Authorizing the transfer of up to \$2.5 million from surplus funds that were budgeted for salaries, fixed charges, Workers' Compensation, Light, Heat and Power and various miscellaneous non-salary items in

order to offset cost overruns in judgements and claims, services of the City Attorney and security.

VOTES: AYES - Yu, Hardeman, Jefferson

NOES - Makras

ABSENT - Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0110 UEB Awarding Contract No. MR-1150, Muni Metro Turnback Facility - General Construction in the amount of \$94,639,010.50 to Tutor-Saliba/Perini subject to execution of the full funding agreement by the Federal Transit Administration, and subject to Tutor-Saliba/Perini's full compliance with the Buy America Act; and encouraging Tutor-Saliba/Perini to maximize participation of local African-American Disadvantaged Business Enterprises on the contract.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0111 UEB Rejecting all bids submitted on October 20, 1992 on San Francisco Water Department Contract WD-2132, SFWD-Millbrae Headquarters-Phase IIA, North Shops/Fuel Island, and authorizing readvertisement of the work.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

INTRODUCTION OF NEW BUSINESS:

President Yu referred to the resolution passed by the Board of Supervisors urging the Public Utilities Commission to make the F-Embarcadero Street Car Line a high priority in the Municipal Railway's capital program. She requested that staff submit a quarterly report on the progress of the project. Anson Moran, Acting General Manager, Public Utilities Commission, stated that the issue on this project is whether tracks can be placed before public space uses are determined. Mr. Moran said that staff would make a presentation to the Commission regarding the project at the next meeting. Commissioner Makras remarked that this project ranked very high on the capital projects priority list and that we should proceed with the capital projects program.

Commissioner Hardeman reported that he attended meetings with the Mayor, the Public

Utilities Acting General Manager and President Yu since the last Commission meeting.

Mr. Moran thanked Fred Howell, Acting Director, Bureau of Finance, and Andrea Gourdine, Manager, Bureau of Personnel and Training for having done tremendous jobs in their capacities in implementing the furlough program.

Mr. Moran stated that a need has arisen for the Commission to consider rescheduling the public hearing on water rates originally scheduled for the April 27 Commission meeting. Commissioner Hardeman moved to consider this item in today's calendar. President Yu seconded. The motion passed unanimously. President Yu moved to reschedule the hearing to May 11, 1993 at 2:00 p.m. in Room 282 as the date, time, and place to consider proposals for rate adjustment for water service and water supplied by the Water Department. Commissioner Jefferson seconded. Resolution No. 93-0092 passed unanimously.

GENERAL MANAGER'S REPORT

Cable Car Audit Follow-Up

Commissioner Makras suggested that staff schedule the Cable Car Audit Report at the next Commission meeting. He directed staff to provide information on what is being done to correct the findings in the report, who would be responsible, and how could the system be improved.

LRV Accident

Commissioner Makras expressed concern about the failure of the department to require drug testing of the bus operator involved in the LRV accident. He directed staff to submit a report assessing the department's policies, and explaining what happened after the accident, and why the policies and procedures were not executed.

At 4:15 p.m. Commissioner Carson was excused.

PUBLIC COMMENT

Norman Rolfe suggested issuing transfers by machine on each bus instead of eliminating them.

Public Hearing

Resolution No. 93-0093: Authorizing the Assistant General Manager of Finance, to apply for, accept and expend \$9,940,616 of FTA Section 3 and \$16,761,905 of Section 9 capital assistance, including the required local match funds, derived from the President's Economic Stimulus Initiative to finance the purchase of replacement trolley coaches.

President Yu opened the public hearing on this matter but there were no speakers.

President Yu moved to adopt the resolution. Commissioner Jefferson seconded. The motion passed 4-0. Commissioner Carson was not present at the time of the vote.

Consent Calendar

President Yu directed staff to include in the contract close-out materials whether contractors who have been awarded contracts have actually met their goals to hire minority groups as specified in their bid documents. Commissioner Jefferson asked staff to determine whether the contractor's history in meeting their minority participation goals could be included in the selection criteria.

Item No. (11): Setting PUC policy regarding Muni courtesy passes and free employee passes, except where covered by existing Memorandums of Understanding with labor union(s).

Item No. (12): Adopting the Use and Assignment of City Vehicles Policy dated April 13, 1993 which applies to the purchase, use and assignment of all PUC vehicles; and authorizing the sale of those vehicles currently impounded by the Commission to other City Departments or return them to service in the Municipal Railway.

Item numbers (11) and (12) were continued to the April 27, 1993 Commission meeting to allow more notice time.

Resolution No. 93-0108: Authorizing the General Manager of the Municipal Railway to apply for \$1,836,000 in federal funds for the Cable Car Museum rehabilitation project; and authorizing the General Manager of the Public Utilities Commission to apply for \$411,000 from the San Francisco Municipal Railway Improvement Corporation.

Shelley Elvira Salieri commented that the cable car museum should be redeveloped and she urged the Commission to proceed with the Request for Proposals to hire a permanent concessionaire.

President Yu moved to adopt the resolution. Commissioner Makras seconded. The motion passed unanimously.

Item No. (16): Authorizing the General Manager of the Public Utilities Commission to enter into an agreement to acquire title to a 2.3 kv electrical distribution stubline between the Camp Mather Substation and Evergreen Lodge.

Richard L. Hamilton, Esq., representing the owners of Evergreen Lodge, stated that the owners were billed at rates comparable to PG&E's rates which includes maintenance. He questioned whether PG&E practices were applied to the agreement. He suggested presenting the recommendation to the Pacific Gas & Electric Co. (PG&E) to get their interpretation on this matter.

This item was taken off the calendar since Evergreen Lodge was not agreeable with the conditions of the agreement.

Resolution No. 93-0109: Authorizing the transfer of up to \$2.5 million from surplus funds that were budgeted for salaries, fixed charges, Workers' Compensation, Light, Heat and Power.

Commissioner Makras expressed concern about service cuts being recommended by staff when there is an existing surplus of funds. Mr. Moran explained that part of the surplus came from funds budgeted for positions that were not certified by the Controller's Office due to budget deficit problems at the Municipal Railway.

Michael Cook, representing the Auto Machinists Union, #1305, expressed concern about mandating employees to take furlough days when surplus funds exist. He stated that members of the Transport Workers Union should also be required to take mandatory furloughs.

Commissioner Jefferson moved to authorize the transfer of \$2.5 million from surplus funds to offset cost overruns in judgments and claims, services of the City Attorney and security. President Yu seconded. Commissioner Makras voted no. The motion passed 3-1. Commissioner Carson was not present at the time of the vote.

Resolution No. 93-0110: Awarding Contract No. MR-1150, Muni Metro Turnback Facility - General Construction in the amount of \$94,639,010.50 to Tutor-Saliba/Perini subject to execution of the full funding agreement by the Federal Transit Administration, and subject to Tutor-Saliba/Perini's full compliance with the Buy America Act.

Note: Commissioner Carson returned at 5:45 p.m. during the discussion of this item.

President Yu directed staff to look at the ethnic make up of the contract and to urge Tutor-Saliba/Perini to subcontract with Asian and Hispanic contractors.

Commissioner Jefferson directed staff to submit quarterly reports concerning the actual versus projected minority participation in this contract.

Commissioner Hardeman moved to adopt the resolution to award the contract to Tutor Saliba-Perini subject to conditions provided in the resolution. President Yu seconded. The motion passed unanimously.

Resolution No. 93-0111: Rejecting all bids submitted on October 20, 1992 on San Francisco Water Department Contract WD-2132, SFWD-Millbrae Headquarters-Phase IIA, North Shops/Fuel Island, and authorizing readvertisement of the work.

Randall M. Smith and Nina Tate, representing Nationwide Construction Company, were present at the meeting and requested that the Commission reconsider the staff's recommendation and award the contract to Nationwide. Andrew J. Junius, representing Nibbi-Lowe Construction, spoke in favor of rejecting all bids and rebidding the work.

President Yu moved to reject all bids submitted on San Francisco Water Department Contract WD-2132. Commissioner Jefferson seconded. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 6:10 P.M.

Romaine A. Boldridge
Secretary

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MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MAY 7 1993

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Frank M. Jordan
MAYOR

SPECIAL MEETING

Board of Supervisors' Legislative Chambers, City Hall
6:00 P.M.
April 13, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 6:25 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

Resolution
No.

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0112 MR Adopting modifications to the Schedule of Rates, Fares and Charges of the Municipal Railway.

VOTES: AYES - Yu, Hardeman, Carson

NOES - Makras, Jefferson

On motion of President Yu, seconded by Commissioner Carson, the following resolution was adopted:

93-0113 MR Rejecting the Municipal Railway's service reduction proposal.

VOTES: AYES - Yu, Hardeman, Makras, Jefferson, Carson

CONTINUATION OF PUBLIC HEARING FROM MARCH 9, 1993
TO CONSIDER MODIFICATIONS TO THE SCHEDULE OF RATES, FARES AND CHARGES
AND SERVICE REDUCTIONS

President Yu opened the meeting and stated that the Mayor had written a letter to the Public Utilities Commission endorsing the fare increase proposal and urging the Commission not to reduce services.

President Yu pointed out that the Commission has a duty to balance the budget and does not have immediate solutions for balancing the budget except to raise the fares. The Municipal Railway is facing a \$30 million deficit in the next fiscal year. She emphasized that the budget deficit did not result from any inefficiencies in the department but resulted from cuts in the City's general fund support and funding from the State. She said that staff was working with the Mayor and the Board of Supervisors to find possible revenue sources to fund Muni's

operating expenses so that the fares would not have to be raised in the future. She stated that PUC is aware of the public's concern about the reliability, safety and cleanliness of Muni vehicles.

President Yu opened the public hearing.

The following individuals commented opposing the fare increase and service reduction proposals: Mike Cook, Auto Machinist Local 1305; Virgil Herndon, Muni Retirees Association, Local 250-A, Local 200 AFL/CIO; Susan B. Slightam, Women's Disabled Support Group, S.F.; Michael A. Rash, Municipal Railway employee; Stephanie Hedgecock; Jane Gire, Greenpeace Coalition Against Muni Cuts; Camille S. Holvot; Jeanne Lynch, Shirley A. Bierly, Senior Action Network; David Fairley, Green Party; Geraldine Earp, Senior Action Network; Kip Smith, Green Party; Catherine Powell, "Ride the Bus" Initiative; Philip Seronick; Ron Holladay, All People's Congress; Luis, Mission Latino Committee; Ellen Murray, Municipal Railway; Tony Lacatena; Richard Powers, Bayview North; Brenda Sandburg, All People's Congress; Michael Nicolet; Enid Lim, Chinatown Transportation & Research Project and Citizens Committee Against Muni Cuts; Betty Stalworth, Ella Hill Hutch Seniors Group and Citizens Committee Against Muni Cuts; Richard Becker, All People's Congress and Citizens Committee Against Muni Cuts; Henry Holmes, Urban Habitat Program and Citizens Committee Against Muni Cuts; Lois Miyashiro; Bobbie Brown, Transport Workers Union, Local 250A, Citizens Committee Against Muni Cuts; Larry Martin, Transport Workers Union, Citizens Committee Against Muni Cuts; Ora Lee Fowler, Bayview Hunters Point; Shelley Diamond; David Heller; Michael Roberts, PWA's; Harry Siitonen, Industrial Workers of the World; Dale A. Glos, Transit Operator; Edward G. Evans, Senior & Disabled Concerns, Norman Rolfe, S. F. Tomorrow; Lucinda J. Means; S. F. Bicycle Coalition; Nina H. Eloesser; James Bagi; Garr Tavai-Fiataoa, Homes Not Jail First Nation; Al Riley; Herbert Weiner; Betty Best; Alex Vitale, Coalition on Homelessness; Perry Matlock; and J. Fenton.

President Yu called the calendar out of order to take action on Item No. 4 first.

Resolution No. 93-0113: Rejecting service reductions to Municipal Railway lines 1-California, 3-Jackson, 6-Parnassus, 14L-Mission Limited, 19-Polk, 21-Hayes, 26-Valencia, 30-Stockton, 33-Stanyan, 45-Union/Stockton, 47-Van Ness, 52-Excelsior, 54-Felton, and California Street Cable Car.

President Yu moved to reject the service reduction proposal. Commissioner Carson seconded. The motion passed unanimously.

Resolution No. 93-0112: Adopting modifications to the Schedule of Rates, Fares and Charges of the Municipal Railway.

Anson B. Moran, Public Utilities Commission Acting General Manager, stated that staff was not recommending the elimination of transfers at this time. However, staff would be exploring alternative means to replace transfers at a later date.

President Yu read the recommended fare structure listed below:

1. Motor Coach, Trolley Coach, Light Rail Vehicle and Streetcar Service
 - A. Adult Fares: Single Trip Fare - \$1.25 cash; Adult Tokens - \$1.10; Monthly Fast Pass - \$37.00; Half Monthly Pass, \$18.50; One Day Pass or Passport - \$6.00; Three-Day Passport - \$10.00; Seven-Day Passport; \$15.00.
 - B. Discount Fares: Single Trip - \$0.35; Monthly Fast Pass - \$8.00; Fifteen Ride Book - \$5.25;
 - C. Premium Fare for Express Service: Single Trip Fare - \$1.50 or Regular Fast Pass plus \$0.25; Premium Monthly Pass (\$47 when available).
2. Cable Car Service
 - A. Regular Fares: One-way Single Trip - \$2.00 cash or token purchased for \$1.10 plus \$1.00 cash.
 - B. Discount Fares: One-way Single Trip - \$1.00
3. Special Events Service (Per round trip)
 - A. Adult Fare: \$5.00 cash; or Fast Pass plus \$2.00 cash.
 - B. Discount Fare: \$3.00 cash; or Pass plus \$2.00 cash.

President Yu moved to adopt the fare increase package recommended by staff.
Commissioner Hardeman seconded.

Commissioner Makras stated he was voting no because the Commission had just raised the fare last year and in his opinion raising it again this year would be unfair to the public.

Commissioner Hardeman stated that he favored increasing the fares to keep the system running. He explained that the Municipal Railway is underfunded and if the revenues were not raised the capital improvements would be jeopardized. He stated that he agreed with the general opinions that there are other ways to solve the budget problems and that PUC should be looking for other ways to raise revenues. He said he was opposed to eliminating the transfer and raising business taxes.

Commissioner Jefferson suggested amending the resolution to condition the fare increase upon development of a long term plan for operations, facilities, organization and the financial future of the Municipal Railway. To maintain a long term financial recovery for the Municipal Railway, he suggested submitting a proposal to the Board of Supervisors to establish a floor of general fund support for Muni, to set a farebox recovery ratio, and establish a local funding source such as a gas tax and or district assessment tax. With regard to operational planning, he suggested evaluating the fare collection procedure and reevaluating the fare structure to include the cost of a transfer in the base fare. Commissioner Jefferson said that if these plans are successful, PUC could then address the service plan, either to roll back the fare or

provide free transit services to the public. He emphasized the need for a commitment to a time frame to develop proposals that would improve the transit system.

President Yu acknowledged the need to develop a long range financial plan to fund Muni and a commitment to a long term organizational, operational and facilities plan. However, she felt that they should not be included as a part of the fare package. Commissioner Hardeman and Commissioner Carson also expressed their views that it was not appropriate to include the amendments in the fare package. Angela Karikas, Counsel for the Public Utilities Commission, stated these recommendations should be properly noticed before PUC could act on them.

Commissioner Jefferson stated that unless the Commission commits on a timeframe he would not be comfortable in voting to adopt the fare increase proposal.

President Yu moved to adopt the fare increase resolution. Commissioner Hardeman seconded. The motion passed, 3-2. Commissioner Carson voted aye, Commissioners Makras and Jefferson voted no.

President Yu directed staff to calendar the long term financial and operational plan for the next regularly scheduled Commission meeting.

THEREUPON, THE MEETING WAS ADJOURNED: 10:40 P.M.

Romaine A. Boldridge
Secretary

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MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
April 27, 1993

COMMISSIONERS

Kay K. Yu, President
Michael E. Hardeman, Vice President
Victor G. Makras
James D. Jefferson
Patricia A. Carson

DEPARTMENTS

Municipal Railway
Water Department
Hetch Hetchy

BUREAUS

Energy Conservation
Engineering and Construction Management
Financial Management
Information Systems
Management Efficiency and Productivity
Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:30 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

On motion of President Yu, seconded by Commissioner Hardeman, the Minutes of the Special Meeting of April 12, 1993 and the Minutes of the Regular Meeting of April 13, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by
Commissioner Makras, the following resolution was adopted:

93-0114 BF Approving collection of charges for damages for the month of
March 1993 against the San Francisco Municipal Railway and the
Bureau of Light, Heat & Power.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by
Commissioner Makras, the following resolution was adopted:

93-0115 BF Requesting the Controller to allot funds and to draw warrants
against such funds as are or will be available in payment of claims
against the San Francisco Water Department totaling \$98,194.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by
Commissioner Makras, the following resolution was adopted:

93-0116 UEB Approving Contract Modification No. 5 to Municipal Railway

Contract MR-888, No. 30 Stockton Trolley Overhead Reconstruction Project, totaling \$30,401.00; and authorizing an extension of time of 128 calendar days to complete the contract.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0117 UEB Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-824, San Joaquin Pipeline No.2, Repair Mortar Lining, as satisfactorily completed; approving credit Contract Modification No. 4 in the amount of \$262,694.09; authorizing extension of time for unavoidable delay of 32 calendar days; and authorizing final payment in the amount of \$2,525.79 to the contractor, Spiniello Construction Company.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0118 UEB Approving Contract Modification No. 4 to Water Department Contract No. WD-2037R, with Stacy & Witbeck, Inc., Calaveras Pipeline Replacement, to extend completion date from June 26, 1992 to December 25, 1993 at a cost not to exceed \$346,178.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0119 BEC Authorizing the General Manager of the Public Utilities Commission to execute necessary contracts and agreements in connection with the receipt and use of State grant funds awarded for the preparation of a Local Energy Shortage Response Plan.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0120 GM Directing staff to initiate follow-up actions pursuant to the Mayor's letter of April 12, 1993 regarding the Municipal Railway.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

NOES - Makras

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0121 GM Adopting the "Use and Assignment of City Vehicles Policy" which applies to the purchase, use and assignment of all PUC vehicles; and authorizing the sale of those vehicles currently impounded by the Commission to other City departments or the return of the vehicles to service in the Municipal Railway.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Jefferson the following resolution was adopted:

93-0122 GM Setting PUC policy regarding Municipal Railway courtesy passes and free employee passes, except where covered by existing Memorandums of Understanding with labor union(s).

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson, the following resolution was adopted:

92-0123 MR Directing PUC staff to undertake specific actions in response to resolutions approved by the Board of Supervisors and signed by the Mayor concerning cable car fares, removal of Autelca machines, and redesigning boarding areas at cable car turnarounds.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0124 HH Authorizing the General Manager of the Public Utilities Commission to enter into an agreement to acquire title to a 2.3 kv electrical distribution stubline between the Camp Mather Substation and Evergreen Lodge and acknowledging the following agreements and other documents: a Power Line Transfer and Maintenance Agreement, a Quitclaim Deed, a Bill of Sale, a Promissory Note and a U.S. Forest Service Special Use Permit Transfer.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Makras, the following resolution was adopted:

93-0125 WD Authorizing amendment of the lease agreement between the City and County of San Francisco, as Lessor, and the Regents of the University of California, as Lessee, for a 60,925 square foot parcel of Water Department land in San Francisco, thereby reducing the rentable area from 60,925 square feet to 55,510 square feet and the monthly rent from \$3,350 to \$2,794.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0126 UEB Approving the License Agreements with the owners of the seven (7) buildings along Steuart Street between Mission and Howard Streets to conduct certain monitoring activities, perform certain construction work, and perform repair and restoration work to prevent or correct any damage that may result from the construction of the Muni Metro Turnback Project; and authorizing the Utilities Engineering Bureau Manager to execute these agreements:

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by President Yu the following resolution was adopted:

93-0127 UEB Approving the BART Construction Agreement for the Muni Metro Turnback Project and authorizing the Utilities Engineering Bureau Manager to execute the agreement.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson, the following resolution was adopted:

93-0128 UEB Awarding San Francisco Municipal Railway Contract No. MR-895, 19th Avenue Improvements Project Phase I, General Construction in the amount of \$2,458,100.00 to Stacy and Witbeck, Inc.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted in executive session:

93-0129 WD Approving settlement of litigation entitled "Robert L. Webster vs. City and County of San Francisco, et.al.", USDC No. C92-4464 DLJ.

VOTE: AYES - Yu, Jefferson, Carson

NOES - Hardeman, Makras

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted in executive session:

93-0130 WD Rejecting the settlement offer made by Robert Vasconcellos, DFEH Charge No. FEP 92-93 A1-0302 sae.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS

Commissioner Makras asked about the status of stations agents' eligibility to take mandatory furloughs. Fred Howell, Acting Director, Bureau of Finance, stated that discussions are still on-going with Muni Operations on whether requiring station agents to take furloughs would affect service. Anson Moran, Acting General Manager, Public Utilities Commission, stated that staff has yet to determine whether this would create service impact.

James Bryant, Local 790 representative, commented that if the station agents were to take furloughs, it would mean closing the stations and therefore would impact service.

Anson Moran stated that he believed there would be service impacts from some furlough programs. Staff would try to figure out the magnitude of impact and minimize it.

Commissioner Makras requested staff to advise the Commission of the process in which de facto service cuts would take place.

REPORT OF THE GENERAL MANAGER

DRUG TESTING

Johnny B. Stein, General Manager, Municipal Railway, explained to the Commission that the Municipal Railway does not have a procedure for post accident drug testing or when an employee is injured. The current policy provides drug testing of employees only when there is a reasonable cause. Muni staff is in the process of developing a procedure for drug testing injured employees after an accident. They would work with the Department of Public Health on how to establish such a procedure and get their advise on any legal ramifications involving drug testing.

CABLE CAR AUDIT

Commissioner Makras questioned what staff could do to improve the system of collecting fares. He said the audit report revealed that 40% of boardings were nonpaying customers. Johnny Stein explained that the audit report covered cash fares that only represented a very small amount of cable car patronage compared to 10 million boardings a year. He discussed the difficulty of collecting fares on crowded cable cars.

Commissioner Makras suggested that staff present innovative ideas to the Commission on how the collection procedure could be improved. He commented that staff's response to the audit report was not adequate.

President Yu directed staff to prepare a report addressing Commissioner Makras' questions, describing the cable car operation, and recommending solutions to run the system more effectively.

PUBLIC COMMENTS

Bob Planthold expressed his concern about City commissioners not having professional experience in the areas they oversee and the lack of performance standards for the Commissioners.

Ed Regan suggested a new bus route from the Ferry Building to Market Street, to Portola, Diamond Heights, going around Duncan Street, to Portola, down to Claremont, to Twin Peaks Tunnel and back to Portola, to 19th Avenue, down to the Bart Station. He suggested making booklets of Muni bus tickets. He suggested that the Muni Railway issue a safety report listing its accidents.

Jano Oscherwitz, Local 790 representative, suggested hiring 10 additional station agents to meet the American Disability Act standards rather than spending funds for management training.

Sam Ganczaruk suggested undertaking a statistical study of all the on-time rebate cards to check for lines that have frequent missed runs and were consistently delayed.

President Yu took the calendar out of order to discuss Item No. 16 first.

Resolution No. 93-0123: Directing PUC staff to undertake specific actions in response to resolutions approved by the Board of Supervisors and signed by the Mayor concerning cable car fares, removal of Autelca machines, and redesigning boarding areas at cable car turnarounds.

Kevin Westlye, President, Powell Street Turnaround Association, reported that there was an initial network of 45 hotels and merchants who are willing to sell cable car tickets. He requested a list of vendors who sell one-day and three-day passes to incorporate them in the network.

Commissioner Hardeman commended the Mayor, Johnny Stein, and Frank Jordan, Jr. in their efforts to find solutions to the cable car fare issues.

Commissioner Makras commented the Powell Street Turnaround Association for their persistence to help solve the cable car ticket abuse. He stated that he supported this resolution but would like to reiterate that he does not believe a fare increase is appropriate twice within a year.

Commissioner Hardeman moved to adopt the resolution. Commissioner Carson seconded. The motion passed unanimously.

Item No. 10: Informational Presentation on Mid-Embarcadero Freeway Replacement Options.

Flint Nelson, Manager, Utilities Engineering Bureau Transportation Projects Division, provided a brief background of the Mid-Embarcadero Freeway Replacement Project. He said that the Department of City Planning hired an urban consulting firm to assist the Utilities Engineering Bureau in the EIS/EIR process for the project.

Eva Liebermann of the Department of City Planning discussed the planning process for the freeway replacement and the use of open space in front of the Ferry Building.

Boris Dramov, Urban Design Consultant, discussed the design concept, the pedestrian circulation aspect and land use aspects of the project. He said that an Environmental Impact Study/Environmental Impact Report on the Embarcadero roadway is being done under the direction of the Chief Administrative Officer (CAO). The process to implement options for land use would be done separately.

Item No. 11: Informational Presentation on the F-Line Project: Service, Construction Schedule and Vehicles.

Phil Chin, Deputy General Manager, Municipal Railway's Transportation Division, provided a general overview of the operating scenario for the F-Line Project.

Flint Nelson, Utilities Engineering Bureau Transportation Projects Division, discussed the construction schedule.

Rick Laubscher, member of the Citizen Advisory Committee to the S.F. Transportation Authority, spoke urging staff to provide consistent facts on completion dates and not to delay this project any longer.

Emilio Cruz, from the Office of the Chief Administrative Officer, discussed the status of the environmental process. He said that they are one month from completion of the technical documents.

President Yu and Commissioner Hardeman expressed their intent to go forward with the F-Line Project as soon as possible. President Yu suggested that staff proceed with the design once the EIR is done. Commissioner Makras directed staff to report to the Commission whenever there is a delay in the project.

Commissioner Makras directed staff to prepare a listing of agencies involved in the project, describe what is needed from them and what their finished products would be

and see how their schedules fit into Muni's schedule. The agencies involved in the project are the Office of the Chief Administrative Officer, Department of Parking and Traffic, Department of Public Works, the Port of San Francisco, Department of City Planning, and the San Francisco Redevelopment Agency.

President Yu directed staff to submit quarterly reports to the Commission describing the progress being made by the agencies involved.

Item No. 12: Adopting a revised 1993-94 budget for the Municipal Railway; and authorizing the PUC General Manager to negotiate further changes to the budget with the Mayor and the Board of Supervisors as needed.

No action was taken on this item. Anson Moran, PUC Acting General Manager, advised that it was not legally necessary for the Commission to vote on this item.

Resolution No. 93-0120: Directing staff to initiate follow-up actions pursuant to the Mayor's letter of April 12, 1993 regarding the Municipal Railway.

Stuart Sunshine, Mayor's Office, discussed the Mayor's recommendations relative to the Municipal Railway's management, financial capacity and service issues. The recommendations include developing a program to address the transfer abuse issue and elimination of transfers, instituting an organizational plan for an independent transit organization, developing recommendations for a management and supervision support program, and identifying and developing long term funding sources for the Municipal Railway. On the transfer issue, the Mayor suggested implementing premium fares and the long term possibility of eliminating transfers. He stated that the Mayor acknowledges the fact that Muni is facing a difficult situation due to cuts in the City's general fund support. The Mayor supports the City's "transit first" policy, and feels a need to begin developing a long term funding source for the Municipal Railway such as a gas tax or creating a transit assessment district.

President Yu directed PUC Acting General Manager, Anson Moran, to start preparing a management structure of the Municipal Railway, and provide a detailed outline of functions and required expectations of those positions.

President Yu also directed the PUC Acting General Manager to begin with a preliminary plan in response to the Mayor's request and report this at the next Commission meeting. Mr. Moran explained that the resolution provided dates in which to accomplish an organizational plan and make recommendations for a management and supervision support program.

Commissioner Jefferson suggested considering short term solutions to organize and solve the productivity problems at the Municipal Railway. He suggested forming a task force to undertake this task and get people involved at every level in the organization.

Commissioner Hardeman expressed his support of the Mayor's program concerning the Municipal Railway. He spoke about the meeting he attended with the Mayor, PUC President Kay Yu, Johnny Stein, Andy Moran, John Mullane and other PUC staff regarding issues relative to the Municipal Railway.

Bobbie Brown, Transport Workers Union, stated that the Municipal Railway had to be properly funded.

Jano Oscherwitz, Local 790, commented that some positions still needed to be filled. She stated that labor unions should be included in discussions regarding organizational planning.

Norman Rolfe explained the necessity of Muni transfers.

Fred Peterson, Transport Workers Union, Local 200, expressed the opinion that the \$500,000 budgeted to implement a management and supervision support program should be spent in backfilling vacant positions.

Sam Ganzcaruk suggested contacting the Metropolitan Transportation Commission and urging them to pass a proposal regarding a Vehicle Use Fee that will be tied to motorists who prefer not to use the public transit system.

Commissioner Makras stated that he agreed with the substance of the resolution but did not agree with the requested funding of \$500,000 for the management and supervision program. He believed that the money should be spent to backfill positions that would provide service.

The Commission directed staff to calendar for the next meeting a resolution urging the Board of Supervisors to consider alternative revenue sources to fund the Municipal Railway.

President Yu moved to adopt the resolution. Commissioner Hardeman seconded. The motion passed 4-1. Commissioner Makras voted no.

Resolution No. 93-0121: Adopting the "Use and Assignment of City Vehicles Policy" which applies to the purchase, use and assignment of all PUC vehicles; and authorizing the sale of those vehicles currently impounded by the Commission to other City departments or the return of the vehicles to service in the Municipal Railway.

Andy Moran advised that a quarterly report would be submitted to the Commission to monitor employees' adherence to the City's Vehicle Policy.

Commissioner Jefferson moved to amend the resolution and authorize the PUC General Manager to approve the use of full size cars when deemed necessary and to deploy impounded vehicles for use at the Municipal Railway. President Yu seconded. The motion to amend the resolution passed unanimously.

President Yu moved to adopt the amended resolution. Commissioner Jefferson seconded. The motion passed unanimously.

Resolution No. 93-0122: Setting PUC policy regarding Municipal Railway courtesy passes and free employee passes, except where covered by existing Memorandums of Understanding with labor union(s). (Continued from the meeting of April 13, 1993).

Commissioner Makras stated that the General Manager should be authorized to issue passes to those individuals who would be working on a specific project for a certain period, which would have direct benefits to Muni.

Commissioner Makras moved to amend the resolution to issue passes to all Municipal Railway employees and to provide courtesy passes to 25 individuals whose services are committed to the system. Commissioner Jefferson seconded. The motion to amend the resolution passed 4-1. President Yu voted no.

Commissioner Makras moved to adopt the amended resolution. Commissioner Jefferson seconded. The motion passed unanimously.

The policy will take effect on July 1, 1993 or until current passes expire.

President Yu directed staff to list the names of those individuals who would be getting courtesy passes and identify how the passes would be used.

President Yu announced that the following resolutions were adopted in Executive Session:

Resolution No. 93-0129: Approving settlement of litigation entitled "Robert L. Webster vs. City and County of San Francisco, et.al.", USDC No. C92-4464 DLJ.

Resolution No. 93-0130: Rejecting the settlement offer made by Robert Vasconcellos, DFEH Charge No. FEP 92-93 A1-0302 sae.

THEREUPON, THE MEETING WAS ADJOURNED: 5:55 P.M.

Romaine A. Boldridge
Secretary

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MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
May 11, 1993

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COMMISSIONERS

Kay K. Yu, President
Michael E. Hardeman, Vice President
Victor G. Makras
James D. Jefferson
Patricia A. Carson

DEPARTMENTS

Municipal Railway
Water Department
Hetch Hetchy

BUREAUS

Energy Conservation
Engineering and Construction Management
Financial Management
Information Systems
Management Efficiency and Productivity
Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:30 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman, Commissioner Victor G. Makras, Commissioner James D. Jefferson

Excused: Commissioner Patricia A. Carson

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Special Meeting of April 13, 1993 and the Minutes of the Regular Meeting of April 27, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0131 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$94,656.55.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0132 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$31,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0133 BF Requesting the Controller to transfer \$200,000 from Project 663-Replace Water Mains in the Water Department's Capital Improvement budget to

Project 662-Relocate and Realign Services to support the appropriate level of service relocation and realignment for Water Department facilities during the remainder of FY 1992-93.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0134 WD Approving the transfer of \$60,929.39 from the Water Department's Consumers Closed Accounts with credit balances unclaimed for three years, to the Unappropriated Surplus of the following: Water Department for water charge portion; Clean Water Program for Sewer Service charge portion; and the General Fund for utility tax portion.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0135 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2101, 8-Inch Ductile Iron Main Installation in Taylor Street between Lombard and Filbert Streets, Taylor Street between Union and Green Streets, Green Street between Taylor and August Alley, Green Street between Powell and Kearny Streets, and Union Street between Leavenworth and Hyde Streets.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0136 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2120, 8-Inch Ductile Iron Main Installation in Hyde Street between McAllister and California Streets and in Turk Street between Hyde and Larkin Streets.

VOTE: Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0137 UEB Approving the transfer of \$170,000 from San Francisco Water Department Project No. 602-01 (New Services and Meters) to Project No. 606-01 (CDD Fire Protection); and authorizing bid call for Water Department Contract No. WD-2147, CDD Fire Protection.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0138 UEB Authorizing the Manager of the Utilities Engineering Bureau to negotiate and execute modifications to San Francisco Municipal Railway Contract No. MR-893, Procurement of Special Trackwork for San Francisco Municipal Railway J & M Layover Terminals, to reflect the new scope, the new delivery schedule, and the material quantities to complete the approved 19th Avenue Improvement Project for an amount not to exceed \$350,000 for Modification No.1, and an amount not to exceed \$703,900.00 for Contract Modification No. 2 for completion of Phase II work.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0139 PT Ratifying and approving the Non Civil Service and Temporary appointments and removals made by the General Manager for the month of March, 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:

93-0140 WD Amending the Water Department budget request for FY 1993-94 to increase judgments and claims from \$250,000 to \$1,250,000, reduce the purchase of water expense from \$10 million to \$500,000, reduce the water conservation increase request from \$631,521 to \$463,402, and reduce the Capital Improvement Program from \$23,437,700 to \$15,500,700.

VOTE: AYES - Yu, Hardeman, Makras

ABSENT - Jefferson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0141 WD To consider the revised Schedule of Rates to be charged by the San Francisco Water Department for water service and water supplied to **suburban wholesale customers**, to be effective with meter readings made on or after July 1, 1993, for the purpose of meeting the operating expenses and other budgetary requirements of the Water Department; and approving a report on the anticipated effect of the revised water rate schedule for submission to the Board of Supervisors.

VOTE: AYES - Yu, Hardeman, Jefferson

NO - Makras

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0142 WD To consider increases in various water service charges and permit fees: Turn-On after Non-Payment of Bills, new customer service charges, engineering permits, garden permits, equestrian permits, watershed group access permits, and residential lead and copper analysis, to be effective July 1, 1993.

VOTE: AYES - Yu, Hardeman, Jefferson

NO - Makras

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0143 HH Authorizing the General Manager of the Public Utilities Commission to execute the second Amendment to the Agreement with Hooper, Hooper, Owen & Gould for lobbyist services, to include out of town expenses not to exceed \$25,000 per calendar year, for a contract total not to exceed \$665,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0144 HH Authorizing extension of agreement with Dr. Ronald Yoshiyama, for

consulting services related to fisheries, to June 30, 1994; and authorizing the General Manager of the Public Utilities Commission to execute the First Amendment to the agreement with Dr. Yoshiyama.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0145 HH Authorizing the General Manager of Hetch Hetchy Water and Power to negotiate and execute the second amendment to the agreement with Manna Consultants, Inc., for hydrological consulting services, to increase their funding by \$100,000 for a contract total not to exceed \$170,000; and extending the term of the agreement to May 31, 1995.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0146 HH Authorizing the General Manager of Hetch Hetchy Water and Power to execute the Natural Gas Supply Agreement with the State of California for a term commencing on August 1, 1993 through July 31, 1995.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

Commissioner Makras asked whether the Department of City Planning was going to rezone the land currently leased by the City of San Francisco to the Olympic Club. John Mullane replied that the Department of City Planning decided that the land stays as open space. This decision was reached based upon Supervisor Hallinan's condition that if the Olympic Club sells the property the proceeds of the sale should revert to the City and should they use the property other than a golf club the property will be returned to the City.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

Commissioner Makras suggested revenue enhancement ideas to support the Municipal Railway such as: privatization of ballpark service; placement of United Parcel Service (UPS) drop off boxes in underground Muni stations; and acquire trademark for the cable car.

President Yu directed staff to request the City Attorney's Office to render a legal opinion concerning Commissioner Makras' suggestions.

REPORT OF THE GENERAL MANAGER:

Disposition of Impounded Vehicles

Anson B. Moran, Acting PUC General Manager, reported that he had made an agreement to transfer one LTD to the Mayor's Office and two Explorers to the Office of Emergency Services. He explained that he made this agreement before the April 27, 1993 meeting when the Commission voted to deploy impounded vehicles back to the Municipal Railway. The Mayor's Office and the Office of Emergency Services would reimburse the Municipal Railway for the cost of the vehicles.

Furlough Update

Mr. Moran reported that a four-day, mandatory furlough program had been implemented for most of Municipal Railway employees. He stated that members of Local 200 and Local 790 units would take fewer furlough days. The issue about the mandatory furlough for drivers is still outstanding. The station agents were exempted from the program. Mr. Moran stated that he is working with Muni staff to minimize distraction to service because of furloughs.

Commissioner Jefferson inquired about equity in relation to how employees of the City are treated across the board. He stated that he would like to ensure that PUC employees are not disproportionately affected by the mandatory furlough program. Mr. Moran replied that there appears to be inequities because other departments have balanced budgets and they do not have to take such steps as to implement a mandatory furlough program.

PUBLIC COMMENTS

Bobbie Brown, President, Transport Workers Union Local 250A, commented that it was unfair for automotive service workers to take four mandatory furloughs within a short span. He stated that this would mean de facto service cuts.

Alice Fialkin, representative of Transport Workers Union, Local 200, talked about equity issues in the mandatory furlough program. She requested that the Commission remove the 9139 positions from the mandatory furlough program. She stated that in some areas of the Municipal Railway, overtime was already required to keep the system running. She said that with the furlough program, the potential for service disruption would be greater unless people work overtime.

Mr. Moran stated that Muni staff are working hard to keep the appropriate level of service in spite of diminished resources.

Commissioner Makras requested that staff calendar an item to discuss scheduled services, funding for these services, and adherence to the schedule. He stated that he would like a decision made on the level of service the Muni Railway can provide.

President Yu stated that it is necessary to review Muni's service policy and have that discussion over the next year.

Mr. Moran stated that he would report to the Commission at the next meeting about the level of missed service and what is being done to manage the problem.

Jano Oscherwitz, Local 790 representative, addressed the Commission about inequities in the administration of the furlough program. She mentioned, as an example, the Utilities Engineering Bureau where secretaries were required to take four days furlough whereas engineers and managers were exempted. Mr. Moran replied that those positions were not required to take furloughs because they are grant funded positions. No actual savings would be realized even in they were furloughed.

PUBLIC HEARING

Resolution No. 93-0141: To consider the revised Schedule of Rates to be charged by the San Francisco Water Department for water service and water supplied to **suburban wholesale customers**, to be effective with meter readings made on or after July 1, 1993.

John Mullane discussed the rationale in the proposal to reduce the water rates for suburban wholesale customers. The suburban customers, comprising of 30 water agencies in the East Bay and South Bay areas, buy water from the City and County of San Francisco and sell water to the residents of their areas.

The reduction in water rates is being proposed as a result of a settlement in 1984 where suburban customers litigated and settled with the Water Department to separate the costs and payment of their water consumption from accounting costs of the San Francisco water rate fares. The settlement agreement provided that the only costs to be charged to the rate is the actual water provided, the cost of providing the water and the portion of debt services to any of the capital improvement projects completed by the Water Department.

Last year, the Water Department estimated the water consumption of these suburban customers. In the same year, the Water Department directed them to reduce their water consumption by 25% because of the drought situation. The suburban customers consumed less water than was estimated by the Water Department and this resulted in an overpayment to the Water Department of \$3 million. The agreement required that the

overpayment could only be refunded to the suburban customers by reducing their water rates for FY 93-94.

Commissioner Makras asked staff why a check could not be issued to reimburse the suburban customers for the \$3 million overpayment. Chris Morioka, Rate Administrator for the Water Department, replied that the Water Department cannot do a cash settlement and they are legally bound to reset the rate within 2% and \$50,000. Ms. Morioka stated that if the rates are not adjusted these customers will continue overpaying the Water Department throughout next year.

Commissioner Makras inquired what happened to the \$3 million overpayment. Ms. Morioka stated that the projected \$3 million overpayment from the suburban customers would not be realized until the end of the year and once we get, it goes to a suburban balancing account.

Commissioner Hardeman moved to adopt the resolution. President Yu seconded. Commissioner Makras voted no. He stated that he understood the contract clearly and how the rates are set, but he was not satisfied with staff's explanation of the outcome of the \$3 million overpayment. The motion passed 3-1.

PUBLIC HEARING

Item No. 11: To consider the revised Schedule of Rates to be charged by the San Francisco Water Department for water service to its **retail customers** within San Francisco and suburban areas, to be effective with meter readings made on or after July 1, 1993, for the purpose of meeting the operating expenses and other budgetary requirements of the Water Department; and approving a report on the anticipated effect of the revised water rate schedule for submission to the Board of Supervisors.

John Mullane presented the recommendation to increase the water rates for retail customers by 14%. He stated that the 14% recommended increase was based on the prior action of the Commission and the Board of Supervisors in 1990 to develop a continuing financial plan that included replacement bonding of \$75 million, establish a rate stabilization program and develop a 14% per annum rate increase for five years.

Mr. Mullane explained that the 14% raise was recommended to maintain the appropriate level of service provided by the Water Department. He stated that the 14% increase would raise \$6 million and a certain percentage would go to capital improvements and revenue bond debts. He pointed out that increase has nothing do with the result of water rationing.

Commissioner Makras expressed his opinion that the action taken by PUC Commissioners in 1990 does not bind the present Commission to an automatic 14% increase and therefore has the privilege to approve or disapprove the resolution.

Commissioner Jefferson stated that he would like to make sure that the 14% rate increase is not another hidden taxation on San Francisco residents. He also expressed concerns about overhead costs and the Water Department's contribution to general fund. He stated that there is a need to deal with general fund issues up-front.

Ed Harrington, Controller, addressed the concerns of the Commissioners regarding the general funds and the mechanics of County Wide Cost Allocation.

Commissioner Makras pointed out that if the Water Department had previously balanced their budgets every year and if in FY 93-94, their budget is lower, the water rate should actually go down. John Mullane explained that what is actually being paid for FY 93-94 are last year's activities.

Commissioner Hardeman stated that the rate increase seemed like a hidden tax but the department has obligations to pay their revenue bond debts.

Commissioner Makras moved to disapprove staff's recommendation. Commissioner Jefferson seconded. The motion failed.

Eva Skoufis, Laundromat owner, spoke urging the Commission to disapprove the recommendation to increase the water rates.

Commissioner Makras moved to reject the 14% rate increase proposal and continue the item to allow the General Manager to prepare alternative solutions. Commissioner Jefferson seconded. The motion failed.

Commissioner Hardeman moved to continue this matter to a special meeting to be held on May 20, 1993 at 4:00 p.m. Room 2-C in City Hall. Commissioner Hardeman seconded. The motion passed unanimously.

President Yu called for recess at 4:35 p.m. The meeting resumed at 4:50 p.m..

PUBLIC HEARING

Item No. 93-0142: To consider increases in various water service charges and permit fees effective July 1, 1993.

Commissioner Makras stated that he was not in favor of charges for Turn-On after Nonpayment of Bills, equestrian permit fee, garden permit, and the watershed group access permit. He felt that there is no need to change the existing policy.

Commissioner Makras mentioned that it had come to his attention that the Water Department had already billed a customer on equestrian permit fee. John Mullane said that if the Commission disapprove the resolution they would refund the overpayment to those individuals.

Commissioner Makras moved to adopt the recommendation to increase charges for turn on after nonpayment of bills, revocable engineering permit, and residential lead and copper analysis. The motion died for lack of second.

Commissioner Yu moved to amend the recommendation and remove the new customer charges and adopt the rest of the recommendations. The motion died for lack of second.

Commissioner Hardeman moved to adopt the proposed recommendation as a whole. Commissioner Yu seconded. Commissioner Makras voted no. The motion passed 3-1.

Item No. 9(a): Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$49,500.00.

Item No. 9(d): Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$224,500.00.

Item No. 9(e): Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$259,000.00.

Commissioner Hardeman requested to pull out Items 9(a), 9(d), and 9(e) from the Consent Calendar. Commissioner Jefferson moved to adopt the Consent Calendar with the exception of Items 9(a), 9(d), and 9(e). President Yu seconded. The motion passed unanimously. These items were continued for discussion in an executive session at the next Commission meeting.

Item No. (14): Adopting a rental policy for residential housing facilities owned by Hetch Hetchy and the Water Department; approving the revised rent structure and phasing in of the revised rental rates over a two year period, one half of the increase being effective July 1, 1993, and the balance to be effective July 1, 1994.

John Mullane expressed his opinion that the proposed policy does not reflect the value of the employees to the organization and what they provide to the organization. He stated that the watershed keepers work beyond what they are expected to do. He reasoned that one of the requirements of the job of a watershed keeper is to live in the housing facilities. He stated that the watershed keepers work 24 hours a day; and they are not paid pager pay or overtime pay to work these long hours. He stated that if the rents are raised the watershed keepers would eventually move out. It would result to lesser security in the watershed and longer response time in emergency situations. Mr. Mullane suggested that the Commission consider charging

\$50 a room which is provided in the Salary Standardization Ordinance and used by other City employees.

Commissioner Hardeman suggested looking into a nominal charge for electric use based on the location.

President Yu stated that she could not approve any increases at this point when these facilities are not in livable condition. She suggested that the watershed keepers be reimbursed for any costs of improvements they made to the rented houses.

Commissioner Jefferson expressed his opinion that it is the City's responsibility as a landlord to maintain these properties and bring them up to code. He stated that it is important that PUC establish a policy dealing with maintenance of rented facilities and address these issues at the earliest possible time.

Commissioner Makras said that the City had an obligation to provide decent housing and to be able to provide heat and hot water in rented facilities. He suggested reimbursing the cost of improvements made by the watershed keepers.

Jano Oscherwitz, Local 790 representative, spoke opposing the rent structure and urged the Commission to use the \$50 per room rent provided in the Salary Standardization Ordinance. She said that to change the rent structure for these housing facilities would require "meet and confer" with the union.

Watershed Keepers Michael Bryne (Calaveras), Jack O'Shea (Crystal Springs), and Gayle Ciardi (San Francisco) addressed the Commission. They spoke about what their job as watershed keepers entail. They also talked about the existing conditions of the facilities. Mr. O'Shea stated that if the rental rate is increased, they would be getting a substantial pay cut.

President Yu moved to continue this matter to the next regular Commission meeting on May 25, 1993 to address the issue of meet and confer requirements and other questions that need to be answered. Commissioner Hardeman seconded. The motion passed unanimously.

Item No. (19): Awarding Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-owned Street Lighting Systems, in the amount of \$569,072.25, to the Department of Electricity and Telecommunications, as the lowest responsive bidder.

Item No. (20): Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-828R, Moccasin Penstock Saddle Replacement, as satisfactorily completed; approving Contract Modification No. 1 in the amount of \$427,000.00; and authorizing final payment in the amount of \$248,033.00 to the contractor, Soil Engineering Construction, Inc.

President Yu moved to continue these items to the next Commission meeting scheduled on May 25, 1993.

THEREUPON, THE MEETING WAS ADJOURNED: 6:05 P.M.

Romaine A. Boldridge
Secretary

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CITY AND COUNTY OF SAN FRANCISCO

**Frank M. Jordan
MAYOR**

SPECIAL MEETING

**Room 2-C, City Hall
4:30 P.M.
May 20, 1993**

COMMISSIONERS

**Kay K. Yu, President
Michael E. Hardeman, Vice President**

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

**Municipal Railway
Water Department
Hetch Hetchy**

BUREAUS

**Energy Conservation
Engineering and Construction Management
Financial Management
Information Systems
Management Efficiency and Productivity
Personnel and Training**

**Anson B. Moran
ACTING GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Call to Order: 4:45 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D.
Jefferson, Commissioner Patricia A. Carson

Commissioner Carson arrived at 4:50 p.m.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0147	WD	Adopting the revised Schedule of Rates to be charged by the San Francisco Water Department for water service to its retail customers within San Francisco and suburban areas, to be effective with meter readings made on or after July 1, 1993, for the purpose of meeting the operating expenses and other budgetary requirements of the Water Department; and approving a report on the anticipated effect of the revised water rate schedules for submission to the Board of Supervisors.
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VOTE: AYES - Yu, Hardeman, Carson

NOES - Makras, Jefferson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted in executive session:

93-0148	MR	Approving settlement of litigation entitled "Bernardina Aguirre vs. City and County of San Francisco", Superior Court Case No. 940-598.
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VOTE: AYES - Yu, Hardeman, Makras, Jefferson

ABSENT - Carson

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted in executive session:

93-0149 MR Approving settlement of litigation entitled "Eric Hayes vs. City and County of San Francisco", Superior Court Case No. 907-407.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

 ABSENT - Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted in executive session:

93-0150 MR Approving settlement of litigation entitled "Rudolph Fisher Sr. v. CCSF, Phyllis Tyree v. CCSF, Rudolph Fisher Jr. v. CCSF, Nicasha Fisher v. CCSF", Superior Court Case No. 928-877.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson

 ABSENT - Carson

President Yu announced that the Commission met in executive session and adopted Resolution Nos. 93-0148, 93-0149 and 93-0150, as shown above.

PUBLIC HEARING

Resolution No. 93-0147: To consider the revised Schedule of Rates to be charged by the San Francisco Water Department for water service to its retail customers within San Francisco and suburban areas, to be effective with meter readings made on or after July 1, 1993, for the purpose of meeting the operating expenses and other budgetary requirements of the Water Department; and approving a report on the anticipated effect of the revised water rate schedules for submission to the Board of Supervisors.

This item was continued from the May 11, 1993 Commission meeting.

John Mullane, General Manager, Water Department, said that the proposed 14% increase in water rates was a part of the five-year financial plan previously approved by the Public Utilities Commission and the Board of Supervisors.

Mr. Mullane stated that the proposed 14% increase in water rates would bring an additional revenue of \$6.2 million to the Water Department. He said that the revenue from the rate increase would be used to cover bond debts and ongoing operational costs of the department.

Mr. Mullane stated that the revenue from the 14% rate increase was already factored in the budget. He said that if the rate increase would not be approved, the budget would be reduced by \$6.2 million. Mr. Mullane discussed the effects of the budget reduction to the department's operations and the level of service that would be provided to customers in San Francisco.

Mr. Mullane stated that the Water Department is not making any contribution to the general fund in the next fiscal year except the \$1 million subsidy to the Fire Department's Auxiliary Water Supply System (AWSS).

Commissioner Makras pointed out that the water rates should be lower since the Fiscal Year 1993-94 operating budget is lower than last year's budget. He stated that he was concerned that the additional revenue from the rate increase would be used to finance other City projects. Commissioner Jefferson expressed the same concern and stated that he would like to make sure that the revenue from the rate increase would be used for the Water Department's operating expenses.

President Yu announced that the Mayor and Supervisor Annemarie Conroy requested a management and efficiency audit of the Water Department. President Yu stated that the Mayor advised the Commission to proceed with the 14% increase contingent upon the results of the management audit. She stated that if the audit would find savings in management efficiencies, the Commission would then reevaluate the water rate structure to consider lowering the water rates or issuing rebates to customers. Commissioner Makras shared his opinion that it would be more logical to do the audit first and raise the water rates based upon audit findings.

Commissioner Makras reported that he met with the Hilton Hotel's General Manager regarding the proposed 14% increase in water rates. Commissioner Makras read a letter from the Hotel Council of San Francisco expressing the council's opposition to the 14% increase in water rates.

Commissioner Makras pointed out that the Water Department is a stand alone department and should not subsidize other departments. He suggested eliminating the \$1 million contribution to the Fire Department and the \$2 million subsidy to the Municipal Railway for bureau services. Mr. Moran replied that cutting the bureau subsidy would increase the operating costs of the Municipal Railway.

President Yu opened the public hearing on this matter but there were no speakers.

President Yu moved to adopt the resolution to raise the water rates supplied to retail customers and suburban areas by 14%. Commissioner Hardeman seconded. Commissioner Carson voted aye. Commissioners Makras and Jefferson voted no. The motion passed 3-1.

THEREUPON, THE MEETING WAS ADJOURNED: 5:50 P.M.

Jill R. Thompson
Acting Secretary

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CITY AND COUNTY OF SAN FRANCISCO

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Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
May 25, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:10 p.m.

Present: Vice President Michael E. Hardeman, Commissioner Victor G. Makras,
Commissioner James D. Jefferson

Excused: President Kay K. Yu, Commissioner Patricia A. Carson

Vice President Michael E. Hardeman presided the meeting.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

93-0151 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$86,250.00.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

93-0152 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Municipal Railway totaling \$101,450.00.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0153 BF Approving collection of charges for damages for the month of April 1993 against the Municipal Railway, Water Department and the Bureau of Light, Heat & Power.
- VOTE: AYES - Hardeman, Makras, Jefferson
- On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:
- 93-0154 UEB Accepting the work performed under the Professional Services Agreement with Manna Consultants, Inc. for the Rehabilitation of the Municipal Railway Potrero Division Facility; approving credit Contract Modification No. 2 in the amount of \$18,923.98, for a final contract amount of \$236,489.02; and authorizing final payment to Manna Consultants in the amount of \$13,627.35.
- VOTES: AYES - Hardeman, Makras, Jefferson
- On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:
- 93-0155 MR Authorizing the Municipal Railway to modify the 56-Rutland route as follows: Outbound - from terminal at Executive Park via current route to Bayshore Boulevard at Visitacion, then via Visitacion to Rutland, where it resume its current route to terminal on Mansell, San Bruno; returning Inbound - from Mansell via current route to Rutland at Leland, then via Leland to Bayshore where it resumes its current route to the terminal on Thomas Mellon Drive at Executive Park.
- VOTE: AYES - Hardeman, Makras, Jefferson
- On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:
- 93-0156 MR Directing the Municipal Railway staff to proceed with Phase 2 of the Alternative Fuels Study to develop a detailed analysis of the operating and financial impact of the use of compressed natural gas, liquified natural gas, methanol, and advanced diesel for the motor coach fleet of the Municipal Railway.
- VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0157 MR Authorizing the Municipal Railway to modify the existing contract with Breda Costruzioni Ferroviarie S.p.A. to purchase additional four light rail vehicles at a cost of \$2,197,000 each, increasing the contract amount by \$8,788,000, for a total contracted amount not to exceed \$101,860,695; and to extend the expiration date to purchase the remaining option vehicles to December 4, 1993.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0158 WD Requesting the Controller to transfer \$300,000 from a surplus in the Water Department's miscellaneous salaries to cover the projected shortfall in judgments and claims appropriation.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0159 UEB Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-828R, Moccasin Penstock Saddle Replacement, as satisfactorily completed; approving Contract Modification No. 1 in the amount of \$427,000.00; and authorizing final payment in the amount of \$248,033.00 to the contractor, Soil Engineering Construction, Inc.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0160 UEB Authorizing the Manager of the Utilities Engineering Bureau, to amend the Professional Services Agreement with LS Transit Systems, Inc., for as-needed rail engineering services, to extend the contract completion date to December 31, 1995.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0161 UEB Requesting the Board of Supervisors' approval to extend the time for award of San Francisco Water Department Contract No. WD-2089R, 12 and 8-Inch Ductile Iron Main Installation in Powell Street between Lombard and Jefferson Streets and Mason Street between Lombard and Chestnut Streets; and awarding the contract in the amount of \$242,570.00 to P&J Utility Co., as the lowest responsive bidder, subject to the Board of Supervisors' approval for extension of time to award.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted in executive session:

- 93-0162 BF Approving settlement of litigation in the case of Robert DeMartini v. CCSF, Superior Court No. 932-666.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted in executive session:

- 93-0163 BF Approving settlement of litigation in the case of Carolyn McCarthy, Daniel McCarthy vs. Stephen Kwok Ng, Superior Court No. 934-232.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted in executive session:

- 93-0164 BF Approving settlement of litigation in the case of Margaret Hurt Baker v. CCSF, Superior Court 941-362.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted in executive session:

93-0166 BF Approving settlement of litigation in the case of Lynn Barfield v. CCSF, Superior Court No. 924-461.

VOTE: AYES - Hardeman, Makras, Jefferson

On motion of Commissioner Jefferson, seconded by Commissioner Makras the following resolution was adopted in executive session:

93-0167 BF Approving settlement of litigation in the case of Kristin Morressey v. CCSF, Superior Court No. 942-432.

VOTE: AYES - Hardeman, Makras, Jefferson

Note: Commissioner Carson arrived at 5:00 p.m. during discussion of the following resolutions:

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted in executive session:

93-0165 BF Approving settlement of litigation in the case of Angela Acevedo v. CCSF, Superior Court No. 932-847.

VOTE: AYES - Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted in executive session:

93-0168 BF Approving settlement of litigation in the case of Claire Bain v. CCSF, Superior Court No. 920-363.

VOTE: AYES - Hardeman, Makras, Jefferson, Carson

INTRODUCTION OF NEW BUSINESS:

Commissioner Makras reported on a Channel 7 news broadcast regarding scumming activities in Muni underground stations. He directed Muni staff to answer the following questions raised on the news broadcast: (1) how many pop tops are found in fare boxes on a daily, weekly, and monthly basis; (2) how much is the estimated loss of closing Muni booths; (3) how much money is lost by the illegal selling of tickets or tokens; (4) how much money is lost by the illegal selling of transfers and fast passes; (5) how can Muni keep track of evaders; (6) how

much is being saved by the Municipal Railway on a daily, weekly, and monthly basis by not properly manning the booths; and (7) how long will it take to change the fare boxes to prevent the use of pop tops. Staff was directed to provide answers to these questions to Channel 7, in writing, with a copy furnished to the Commission.

President Hardeman reported that he and Commissioner Makras had a debate Viacom regarding privatization of the Muni Railway which would be aired on Viacom.

REPORT OF THE GENERAL MANAGER

Anson B. Moran, Acting General Manager, Public Utilities Commission, reported that the previous requirement for employees to take four-day mandatory furloughs was changed to two days.

Mr. Moran reported that the Mayor's budget for FY 1993-94 would cut the Municipal Railway's budget by \$2-3 million.

PUBLIC COMMENTS:

Bob Planthold commented on fare evasion activities at Muni fare gates. He also spoke about mobility problems because of the location of elevators shared by Muni and BART.

Jano Oscherwitz, Local 790, spoke urging the Commission to consider staffing the Muni booths at all times to prevent fare evasion.

Item No. 10: Presentation by the General Manager of the Municipal Railway on the missed service experience and actions being taken.

Johnny B. Stein, General Manager, Municipal Railway, presented a three-year comparison of the level of missed service. He discussed several measures Muni staff had implemented to minimize impact on the level of service due to the mandatory furlough program.

Commissioner Makras stated that if there is a determination to miss runs in the future, that we downsize the system and run a schedule that the Municipal Railway can meet. He stated that the Commission needs to make a policy decision whether to cut a line or continue with defacto service cuts.

Commissioner Jefferson requested the City Attorney to submit a written opinion to the Commission on whether PUC has a legal liability for the ongoing defacto service cuts.

Commissioner Makras requested that the City Attorney's opinion also address the issue regarding Transit Impact Development Fee (TIDF) and defacto service cuts.

President Hardeman directed the Acting General Manager of Public Utilities Commission and the General Manager of the Municipal Railway to look into the issues raised regarding missed runs and defacto service cuts and present a report to the Commission at the next meeting.

Bob Planthold, representing the Muni Accessibility Advisory Group, commented about long headways on Muni Lines #29, #37, and #33 whenever a run is missed. He suggested putting these lines on the priority to get replacement if there is going to be a missed run.

Resolution No. 93-0155: Authorizing the Municipal Railway to modify the 56-Rutland route.

President Hardeman stated that he was pleased that the Transport Workers Union and the management of the Municipal Railway worked together in this undertaking.

Commissioner Jefferson moved to adopt the resolution. Commissioner Makras seconded. The motion passed unanimously.

Resolution No. 93-0156: Directing the Municipal Railway staff to proceed with Phase 2 of the Alternative Fuels Study to develop a detailed analysis of the operating and financial impact of the use of for the motor coach fleet of the Municipal Railway.

Michael Corcoran, Project Manager of Gannett Fleming, discussed governmental regulations on air quality and alternative fuels. Ben Ritchie, representing Battelle Memorial Institute, discussed the results of Phase 1 of the Alternative Fuel Study. He stated that based on these results they recommended further analysis of four alternative fuel types feasible for the Municipal Railway; namely, compressed natural gas, liquified natural gas, methanol, and advanced diesel. Mr. Ritchie also discussed the scope of work for Phase 2 of the study.

Commissioner Hardeman stated that he would like the Municipal Railway to take the lead on the use of alternative fuel for transit vehicles.

Commissioner Jefferson moved to adopt the resolution. Commissioner Makras seconded. The motion passed unanimously.

Resolution No. 93-0157: Authorizing the Municipal Railway to modify the existing contract with Breda Costruzioni Ferroviarie S.p.A. to purchase additional four light rail vehicles at a cost of \$2,197,000 each, increasing the contract amount by \$8,788,000, for a total contracted amount not to exceed \$101,860,695; and to extend the expiration date to purchase the remaining option vehicles to December 4, 1993.

Commissioner Jefferson inquired whether MBE requirements apply to contract modifications.

Flint Nelson, Manager of Transportation Projects, would report to Commissioner Jefferson on this matter.

Commissioner Makras moved to adopt the resolution. Commissioner Jefferson seconded. The motion passed unanimously.

Item No. (15): Awarding Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-owned Street Lighting Systems, in the amount of \$569,072.25, to the Department of Electricity and Telecommunications, as the lowest responsive bidder.

At the meeting, Kingston Constructors, Inc. and A. Ruiz Construction Co. submitted to the Commission letters protesting the award of the contract to the Department of Electricity and Telecommunications. Commissioner Makras suggested continuing this item to the next Commission meeting to allow more time to review the letters.

Commissioner Jefferson directed the Acting PUC General Manager to review those issues raised by Kingston Constructors, Inc. and A. Ruiz Construction Co. Commissioner Jefferson also requested the General Manager to address the issue of the Department of Electricity not having to abide with MBE requirements.

The Commission met in executive session immediately after the regular meeting and adopted Resolution Nos. 93-0162, 93- 0163, 93-0164, 93-0165, 93-0166, 93-0167, and 93-0168.

Commissioner Carson arrived at 5:00 p.m. during the discussion of Resolution Nos. 93-0165 and 93-0168.

THEREUPON, THE MEETING WAS ADJOURNED: 4:00 P.M.

Romaine A. Boldridge
Secretary

MINUTES

**PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

**Frank M. Jordan
MAYOR**

REGULAR MEETING

**Room 282, City Hall
2:00 P.M.
June 8, 1993**

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COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

**Anson B. Moran
ACTING GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Call to Order: 2:20 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman, Commissioner Victor G. Makras, Commissioner James D. Jefferson, Commissioner Patricia A. Carson

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on May 11, 1993 as amended, and the Minutes of the Special Meeting on May 20, 1993 were approved.

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the Minutes of the Regular Meeting on May 25, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0169	BF	Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway in the amount totaling \$120,000.00.
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VOTE: AYES - Yu, Hardeman, Jefferson, Carson

NO - Makras

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0170	HH	Authorizing the General Manager of the Public Utilities Commission to execute the Sixth Amendment to the Agreement with JRP Historical Consulting Services to increase funding by \$35,000 to continue their services through the end of FY 1993-94, for a contract total not to exceed \$477,240.
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VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0171 UEB Authorizing the Utilities Engineering Bureau Manager to solicit bid proposals for Municipal Railway Contract MR-1107, Station Agent Booth Improvements.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Makras, the following resolution was adopted:

93-0172 HH Urging the Board of Supervisors and the Mayor to adopt a City policy that all public outdoor lighting facilities, particularly street lights, use high pressure Sodium fixtures to insure the highest levels of lighting at the lowest dollar and environmental cost.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Carson, the following resolution was adopted:

93-0173 HH Awarding Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-Owned Street Lighting Systems, Fiscal Year 1993-94, in the amount of \$569,072.25 to the Department of Electricity and Telecommunications, as the lowest responsive bidder.

VOTE: AYES - Yu, Hardeman, Carson

NOES - Makras, Jefferson

NOTE: Commissioner Jefferson was excused at 5:45 p.m..

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0174 HH Authorizing bid call and contract award authority for Hetch Hetchy Water and Power Contract HH-835, Priest Reservoir Diversion Channel.

VOTE: AYES - Yu, Hardeman, Makras, Carson

On motion of Commissioner Makras, seconded by Commissioner Carson, the following resolution was adopted:

93-0175 WD Authorizing the General Manager of the Public Utilities Commission to execute the second amendment to the lease agreement between the City and County of San Francisco, as Lessor, and the Olympic Club, as lessee; thereby increasing the annual base year rental rate to \$176,000 with annual rental adjustments thereafter, upon approval by the Board of Supervisors.

VOTE: AYES - Yu, Makras, Carson

NO - Hardeman

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0176 WD Directing the Water Department to fund the cost of a management audit to be performed by the Budget Analyst at a cost not to exceed \$106,288; and amending the Water Department's proposed budget for FY 1993-94 thereby increasing Object 389-Miscellaneous Departments by \$106,288 and reducing the Unappropriated Fund Balance by the same amount.

VOTE: AYES - Yu, Hardeman, Makras, Carson

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

Commissioner Makras asked about the reply to Channel 7 regarding fare evasion. Anson B. Moran, Acting General Manager of Public Utilities, replied that it would be available at the next Commission meeting.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

President Yu directed staff to assess the amount of missed service by the Municipal Railway and to recommend measures to address it. Mr. Moran stated that he would present a report at the next Commission meeting.

Commissioner Jefferson directed staff to respond to the letter submitted by the Transport Workers Union, Local 200, regarding the mandatory furlough program.

REPORT OF THE GENERAL MANAGER:

Budget Update

Anson Moran, Acting General Manager, Public Utilities Commission, reported that next fiscal year's budget for the Municipal Railway is smaller than this year's. He stated that if the Board of Supervisors does not approve the fare increase proposal, funds would not be sufficient to maintain the Municipal Railway's service level.

Commissioner Jefferson stated that the public should be informed that potential service reduction might occur if the Board of Supervisors does not approve the fare increase. Commissioner Makras suggested that staff begin the notification process regarding service reductions. He stated that there are already existing de facto service cuts and that the Commission should take a position as to which lines are going to be reduced.

Mr. Moran reported that the Mayor's Office removed the Clean, On-Time Program from the budget. A notification would be published to notify the public that the program will no longer be in effect after July 1, 1993. Commissioner Makras stated that the Commission should do everything in its power to continue the program. Commissioner Hardeman commented that he would like to see the Clean Bus Program continued.

PUBLIC COMMENTS

Alice Fialkin, Transport Workers Union, Local 200, urged the Commission to stop furloughs for the 9139-Transit Supervisor class. She stated that the furlough program would cost the City money due to the increased use of overtime work to replace furloughed employees.

Dan Venable, Chief Steward, Muni Car Cleaners (Local 790), requested that the Commission reinstate the Clean, On-Time Program.

Jano Oscherwitz, Local 790, suggested that the Commission pass a supplemental appropriation request to fund the Clean, On-Time Program.

David Pilpel commented that service should match available funds.

Norman Rolfe suggested implementing the Transit Assessment District study which would provide additional revenues to the Municipal Railway.

Bobbie Brown, Transport Workers Union, Local 250-A, commented that missed service was due to equipment maintenance problems.

Commissioner Jefferson commented that the Commission should deal with service reductions and funding issues. President Yu suggested that the Commission look at possible solutions to maintenance issues and decide the level of service the Municipal Railway can provide.

Item No. (10): Adopting a rental policy for residential housing facilities owned by Hetch Hetchy and the Water Department; and approving the revised rent structure.

This item was continued from the May 25, 1993 meeting.

Mr. Moran explained that the rent structure for residential housing facilities owned by Hetch Hetchy and the Water Department was revised to address issues raised at the meeting of May 25, 1993. He stated that the proposed rent structure was based on the fair market value evaluation of the facilities.

Commissioner Hardeman indicated that he was voting against the proposed rent structure. He said that the rent structure was unfair to employees who lived in these facilities as a condition of their employment. He stated that the improvements made by the watershed keepers on these facilities should also be considered. He suggested that a fair rent would be \$75 for housing at Hetch Hetchy and \$100 for Water Department housing.

John Mullane, General Manager, Water Department, stated that he supported the revised rent proposal. However, he said that he had notified the watershed keepers that this matter would be continued to another date.

Commissioner Makras stated that the proposed rent structure was not unfair because it is considerably low and does not offset even the cost of utilities. He said that the proposed rent structure included three types of discounts for the employees, such as: 25% market value discount, remote location discount, and age and quality discount. Commissioner Makras indicated that these workers committed to live in these housing facilities as a term of employment and that consideration should take into effect.

Commissioner Jefferson suggested continuing this matter to the next meeting to allow the watershed keepers opportunity to address the Commission.

Jano Oscherwitz, Local 790, commented that the watershed keepers were required to live inside the watershed area as part of the terms and conditions of their employment. She stated that since this is a change in employment conditions, it would require "meet and confer".

President Yu moved and Commissioner Carson seconded to continue this item to the next Commission meeting. The motion passed unanimously.

Item No. (11): Review of memorandum suggesting various revenue recommendations for the Municipal Railway.

Commissioner Makras submitted the following recommendations to increase revenues for the Municipal Railway.

- (1) Provide one-way transfers.
- (2) Peak period streamlining - Eliminate senior discounts at peak commuter hours.
- (3) Back-fill the required station agents to monitor the subway stations.
- (4) Privatize the ball park service.
- (5) Institute proof of payment system.
- (6) Develop a Lease Concession Program with UPS, Federal Express and other mail carriers to install drop-off mail boxes at subway stations.
- (7) Implement the pilot program of contravision advertisement on 50 buses.
- (8) Allow SAMTRANS to accept Muni passengers.
- (9) Allow advertising on the back of fast passes and transfers.
- (10) Make Workers Compensation savings a top priority.

Johnny Stein, General Manager, Municipal Railway, summarized his memorandum of June 7, 1993 to the Commission responding to each recommendation.

Jim Seal, California Bus Association, spoke requesting the Commission to give them opportunity to work with staff on these recommendations.

Philip Seronick suggested eliminating transfers and leaving the cost of handicap passes at \$5.00.

Bobbie Brown, Transport Workers Union, Local 250-A, requested that TWU be allowed to continue its negotiations with the department to provide ball park service.

Commissioner Jefferson directed the PUC General Manager to work with staff in evaluating the proposals and determine which proposals should be pursued to generate additional revenues for the Municipal Railway.

Resolution No. 93-0173: Awarding Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-Owned Street Lighting Systems, to the Department of Electricity and Telecommunications.

This item was continued from the meeting of May 25, 1993.

Raymond Yamagishi, Manager, Bureau of Light, Heat & Power, summarized the issues raised regarding the award of the contract to the Department of Electricity and Telecommunications. Those issues were the fact that a City department does not need to adhere to MBE/WBE requirements, contract license requirements and surety bond requirements the same as a private contractor.

Richard Stromberg, representative of A. Ruiz Construction Co., Inc., spoke protesting the award of the contract to the Department of Electricity and Telecommunications. He commented that the Department of Electricity was given unfair advantages by not requiring them to meet MBE/WBE requirements.

Mark Lynch, representative of Rosendin Electric, commented that there was an equity issue in awarding the contract to the Department of Electricity.

Ricardo Ramirez, a local MBE contractor, commented that the award to DET would set a precedent for City departments to compete in bidding and this would affect the competitive spirit of bidding.

Dan Collins, of the City Attorney's Office, answered questions relative to the MBE/WBE/LBE ordinance.

Commissioner Jefferson stated that the Department of Electricity was given advantages that were detrimental to other bidders and minorities. He stated it was not fair that private contractors were required to meet MBE/WBE requirements, apprenticeship rules and surety bond requirements while the Department of Electricity was not. George Krueger, Utilities General Counsel, explained that bidding laws were not for the benefit of contractors.

Commissioner Makras commented that there was an equality issue in the bidding process. He suggested rebidding the contract to provide equality to private contractors. He also suggested defining the advantages that a City department would have as a bidder when the contract is advertised for rebidding.

Mr. Moran stated that the current contract would terminate at the end of this fiscal year. The City would end up with no one maintaining the street lights if the contract is not processed timely.

President Yu moved to award the contract to the Department of Electricity. Commissioner Carson seconded. Commissioners Makras and Jefferson voted no. The motion passed 3-2.

At 5:45 p.m. Commissioner Jefferson was excused.

Resolution No. 93-0175: Authorizing the General Manager of the Public Utilities Commission to execute the second amendment to the lease agreement between the City and County of San Francisco, as Lessor, and the Olympic Club, as lessee; thereby increasing the annual base year rental rate to \$176,000.

Commissioner Makras commented that a reasonable rate of investment should be considered in establishing the rental rate.

Commissioner Makras moved to direct staff to renegotiate a rental rate that would put an 8% "cap" on the \$2.2 million appraised value. The motion died for lack of a second.

Commissioner Hardeman commented that the rental rate should have been adjusted two years ago when the land was valued at \$2.2 million.

Commissioner Makras moved to establish an annual rental rate of \$176,000, effective August 26, 1989. Commissioner Carson seconded. Commissioner Hardeman voted no. He stated that he would vote in favor of the motion if the retroactive rent is for the periods 1991-92 and 1992-93. President Yu, Commissioner Makras and Commissioner Carson voted ayes. The motion passed 3-1.

Item No. (16): Awarding San Francisco Water Department Contract No. WD-2153. This item was taken off calendar.

Item No. (18): Supporting the concept of a \$73 million Street and Safety Improvement Bond issue. This item was continued to the call of the Chair.

ANNOUNCEMENT:

President Yu announced that the Commission met in executive session to discuss the status of the case of Homer J. Olsen v. CCSF, Superior Court No. 937-906, and that no action was taken.

THEREUPON, THE MEETING WAS ADJOURNED AT 6:20 P.M.

Romaine A. Boldridge
Secretary

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/// **MINUTES**

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// **PUBLIC UTILITIES COMMISSION**
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.

/// **June 22, 1993**

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:10 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

Commissioner Makras arrived at 2:20 p.m.

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on June 8, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson the following resolution was adopted:

93-0177 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Water Department totaling \$18,718.62.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

NO - Makras

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson the following resolution was adopted:

93-0178 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$39,743.20.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0179 WD Authorizing the General Manager of the Water Department to extend the current administrative agreement with the East Bay Regional Park District for additional aerial surveillance patrols in watershed lands for the fiscal year 1993-94.
- VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Hardeman, seconded by Commissioner Jefferson the following resolution was adopted:
- 93-0180 PT Approving all non-Civil Service and temporary appointments and removals made by the General Manager for the month of April, 1993.
- VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:
- 93-0181 GM Authorizing the General Manager of the Public Utilities Commission to amend the contract with Harding Lawson Associates, for environmental consulting services, to extend the contract term from 36 months to 48 months and to increase the funding from \$1,100,000 to \$2,400,000.
- VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:
- 93-0182 MR Authorizing the Public Utilities Commission General Manager to amend the contract with Clayton Environmental Consultants, for environmental consulting services, to increase their funding from \$400,000.00 to \$650,000.00 and to extend the contract term for an additional 12 months.
- VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:
- 93-0183 WD Authorizing the Public Utilities Commission General Manager to enter into an agreement with the City of South San Francisco, for

the design and construction of the San Francisco Water Department's improvement for Crystal Springs Pipeline Nos. 1, 2, and 3 in South San Francisco.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0184 WD Authorizing the Public Utilities Commission General Manager to amend the contract with Ecology and Environment, Inc., an environmental consulting firm, to extend the term of the existing contract for an additional 12 months and increase their funding from \$300,000 to \$650,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0185 UEB Awarding San Francisco Water Department Contract No. WD-2131R, Install Permanent Work Platforms/Water Supply and Treatment Division, in the amount of \$99,405.00 to M.C. Construction, as the lowest responsive bidder.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0186 UEB Awarding San Francisco Water Department Contract No. WD-2153, Repaving of Street and Sidewalk Openings for the Fiscal Year ending June 30, 1994, in the amount of \$1,423,990, to A. Ruiz Construction Company and Associates, Inc., as the lowest responsive bidder; and authorizing substitution of subcontractor.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0187 BF Committing the Public Utilities Commission to program \$20,000,000 in Transit Impact Development Fee funds for the purchase of light rail vehicles.
- VOTE: AYES - Yu, Hardeman, Jefferson, Carson
- NO - Makras
- On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:
- 93-0188 BF Authorizing the Assistant General Manager, Bureau of Finance, to apply for, accept and expend \$31,907,209 of San Francisco County Transportation sales tax funding for Municipal Railway projects and operations.
- VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:
- 93-0189 GM Reconsideration of the award of Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-owned Street Lighting Systems, to the Department of Electricity & Telecommunications.
- VOTE: AYES - Hardeman, Makras, Jefferson, Carson
- NO - Yu
- On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the following resolution was adopted:
- 93-0192 BF Rejecting settlement of litigation in the case of Nusia Apfelbaum, Superior Court No. 941-589.
- VOTE: AYES - Yu, Hardeman, Jefferson, Carson
- NO - Makras
- NOTE: Commissioner Jefferson was excused after discussion of the above.

On motion of Commissioner Makras, seconded by President Yu,
the following resolution was adopted:

93-0190 BF Approving settlement of litigation in the case of Maria Erickson v.
CCSF, Superior Court No. 941-675.

VOTE: AYES - Yu, Hardeman, Makras, Carson
 ABSENT - Jefferson

On motion of President Yu, seconded by Commissioner Carson,
the following resolution was adopted:

93-0191 BF Approving settlement of litigation in the case of Beverly Marks v.
CCSF, Superior Court No. 942-840.

VOTE: AYES - Yu, Hardeman, Makras, Carson
 ABSENT - Jefferson

GENERAL MANAGER'S REPORT:

Anson B. Moran, Acting General Manager, Public Utilities Commission, reported that the Board of Supervisors held a hearing on the Municipal Railway fare increase on Monday, June 21, 1993. The Board continued the matter to July 12, 1993. Mr. Moran said that staff received a letter from Supervisor Tom Hsieh inquiring about the possibility of eliminating transfers. A letter was also received from Norman Rolfe of San Francisco Tomorrow stating that he did not support the elimination of transfers. Supervisor Kevin Shelley also wrote a letter to the Commission suggesting revenue enhancements for the Municipal Railway.

Mr. Moran stated that the Board of Supervisors has not yet linked revenues from the Muni fare increase with operating expenditures.

President Yu advised that she discussed the transfer issue with Supervisor Tom Hsieh. Supervisor Hsieh agreed to consider the equity issue of those who need to use transfers to get to their destination.

President Yu suggested that the Commission discuss the feasibility of a pilot program for one-day passes. Mr. Moran replied that Muni staff is already preparing a pilot program. He said he would report to the Commission on this matter at the next meeting.

Mr. Moran reported that Local 790 concluded its contract negotiations with the City. One of the provisions in the Memorandum of Understanding (MOU) prohibits imposition of mandatory furloughs of Local 790 members from the date of the MOU. He stated that the PUC's mandatory furlough program would be adjusted accordingly.

Mr. Moran announced that the Municipal Railway began service on the J-Line between 30th and Balboa Station.

Mr. Moran reported that a letter was received from the State Department of Health Services which stated that Hetch Hetchy's water supply meets the federal filtration avoidance criteria. This letter meant that the San Francisco Water Department would be exempt from notification of non compliance with federal law.

PUBLIC COMMENT

John Garrity spoke about visibility problems with the Crystal Pepsi wraparound advertising on Muni buses.

Norman Rolfe discussed his views about potential savings in the proof of payment system. He stated he wrote a letter to the Commission clarifying that he was not in favor of eliminating transfers contrary to what was written in Supervisor Hsieh's memorandum on the subject.

The following individuals requested the Commission to reconsider the award of Bureau of Light Heat & Power Contract No. BLHP-202 on the grounds of procedural process: Richard Stromberg, counsel for A. Ruiz Construction Co. & Associates, Inc., Antonio Ruiz of A. Ruiz Construction Co. & Associates, and Stan Smith of the S.F. Building Trades Council. Commissioner Hardeman moved that the Commission reconsider the award of the contract in a special meeting to be held on June 29, 1993 at 4:00 p.m. at a place to be determined. Commissioner Jefferson seconded. Commissioners Makras and Carson voted aye. President Yu voted no. The motion passed 4-1. Commissioner Jefferson suggested inviting the Director of the Office of Contract Compliance and the Director of the Human Rights Commission to attend the meeting. Commissioner Yu requested that the City Attorney provide an opinion addressing those issues raised at the last two hearings.

Bobbie Brown, representative of the Transport Workers Union, Local 250-A, commented that their members could not support "proof of payment" without added security protection.

Larry Martin, International Representative of the Transport Workers Union, Local 250-A, requested that the Commission reconsider implementation of mandatory furlough for transit workers.

Marvis Phillips commented in favor of eliminating transfers.

Item No. (10): Adopting a rental policy for residential housing facilities owned by Hetch Hetchy and the Water Department.

This item was continued to a special meeting to be held on June 29, 1993 at 4:00 p.m..

Resolution No. 93-0181: Authorizing the General Manager of the Public Utilities Commission to amend the contract with Harding Lawson Associates, for environmental consulting services, to extend the contract term from 36 months to 48 months.

Resolution No. 93-0182: Authorizing the Public Utilities Commission General Manager to amend the contract with Clayton Environmental Consultants, for environmental consulting services, to extend the contract term for an additional 12 months.

Resolution No. 93-0184: Authorizing the Public Utilities Commission General Manager to amend the contract with Ecology and Environment, Inc., an environmental consulting firm, to extend the term of the existing contract for an additional 12 months.

Commissioner Jefferson expressed concern about endless amendments to these contracts and the fact that the contracts were not put out for rebid. Larry James, Project Manager, responded that if the contracts were put out for rebid it would take more time to get a new contractor on board. Furthermore, he stated that extensions were anticipated in the original contracts.

President Yu suggested extending the contracts for twelve months and then rebidding the contracts at the end of the term. President Yu move to amend Resolution Numbers 93-0181, 93-0182 and 93-0183 to extend the contract term for an additional 12 months. Commissioner Jefferson seconded. The motion passed unanimously.

Commissioner Jefferson directed the Director of Contract Compliance to review the structure of the Request for Proposals and the selection criteria to be used for these contracts and report to the Commission whether the structure or criteria tend to exclude MBE/WBE participation in these contracts.

President Yu moved to approve the amended resolutions. Commissioner Jefferson seconded. The motion passed unanimously.

Item No. (12): Report on the Municipal Railway's missed service action plan.

Commissioner Makras inquired about a provision in the Transport Workers Union's Memorandum of Understanding requiring premium pay for drivers whose regular

assignments are changed. Johnny Stein, General Manager, Municipal Railway, stated that the MOU requires that the City pay a driver \$1.00 more per hour for working on a different schedule.

Mr. Stein stated that shortages in the number of equipment and operators during summer and fall seasons would result to missed service. He discussed the procedures the department developed to improve the level of service during this time.

Commissioner Jefferson asked about the issue of bunching and whether shortage in street supervisors was the cause. Mr. Stein responded that bunching occurs when more buses are in service. He stated that more street supervisors are needed when less equipment is in service. Mr. Stein stated that staff intends to use an Automatic Vehicle Locator System in Central Control, staffed by one dispatcher on weekends, to alleviate bunching.

Commissioner Makras requested staff to submit information to the Commission on the costs to assign dedicated staff to the Automatic Vehicle Locator System and to explore options on where to get the resources. Mr. Moran said that he would report to the Commission on the results of the test and prepare an estimate of the cost to implement the system on a regular basis.

Commissioner Jefferson asked for clarification as to why some lines are underserved. Mr. Stein replied that it was due to the change in ridership patterns and funding problems.

Bobbie Brown of the Transport Workers Union, Local 250-A, commented on the MOU provision regarding premium pay when a driver's work assignment is changed. He also spoke about the effects of the mandatory furlough program in the maintenance area.

Marvis Phillips spoke about missed service experience on Muni bus lines 9, 19 and 31.

Alice Fialkin, representing Local 200, commented on the shortage in street supervisors on the southern part of the City and staffing requirements in Central Control. She requested that the Commission and Muni staff fill this gap before implementing the Automatic Vehicle Locator System.

Samuel Ganczaruk, requested that the Commission consider looking at Muni bus scheduling problems, specifically in the Van Ness Corridor.

Item No. (14): Authorizing the Public Utilities Commission General Manager to negotiate and execute a contract with Crain and Associates for Paratransit financial planning services.

This item was taken off calendar.

Resolution No. 93-0186: Awarding San Francisco Water Department Contract No. WD-2153, Repaving of Street and Sidewalk Openings for the Fiscal Year ending June 30, 1994, in the amount of \$1,423,990, to A. Ruiz Construction Company and Associates, Inc., as the lowest responsive bidder.

Richard Brandt, Manager, Utilities Engineering Bureau, advised that A. Ruiz Construction wanted to substitute the sub-contractor to Ricardo Ramirez because the original sub-contractor was not licensed at the time the contract was submitted. He stated that the DBE participation goals will be the same.

Commissioner Hardeman moved and Commissioner Jefferson seconded to adopt the resolution. The motion passed unanimously.

Resolution No. 93-0187: Committing the Public Utilities Commission to program \$20,000,000 in Transit Impact Development Fee funds for the purchase of light rail vehicles.

Robert Pender asked why Italian made Light Rail Vehicles are being purchased instead of buying American made LRVs. Michelle Witt, Finance Director, responded that the purchase would be put out to bid.

Ms. Witt stated that by committing TIDF funds for the purchase of LRVs, the Municipal Railway would be running the risk of not being able to fund Muni's operating budget between 1998 and 1999.

Commissioner Makras stated that he was not voting in favor of the resolution because it would affect the Municipal Railway's 1998-99 budget. He said that TIDF had been providing the Municipal Railway a continuous flow of revenue. He said that committing TIDF funds to the purchase of LRVs meant taking away a cash flow essential in operating the Municipal Railway. He stated that the Commission should be looking at other sources to enhance revenues for the Municipal Railway.

President Yu moved to adopt the resolution. Commissioner Hardeman seconded. Commissioners Jefferson and Carson voted ayes. Commissioner Makras voted no. The motion passed 4-1.

Commissioner Hardeman complimented John Mullane, General Manager, Water Department, for producing an information packet for new customers of the Water Department.

ANNOUNCEMENT:

President Yu announced that the Commission met in executive session before the meeting to discuss an attorney-client matter regarding Pleasanton Zoning and that no action was taken.

THEREUPON, THE MEETING WAS ADJOURNED TO AN EXECUTIVE SESSION: 4:35 P.M.

Romaine A. Boldridge
Commission Secretary

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// **PUBLIC UTILITIES COMMISSION**

CITY AND COUNTY OF *6* SAN FRANCISCO

**Frank M. Jordan
MAYOR**

SPECIAL MEETING

**Room 282, City Hall
4:00 P.M.**

1111 **June 29, 1993**

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

**Anson B. Moran
ACTING GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Call to Order: 4:10 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

Commissioner Hardeman arrived at 4:12 p.m.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of President Yu, seconded by Commissioner Carson, the following resolution was adopted:

93-0193	HH	Sustaining the award of Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-Owned Street Lighting Systems, to the Department of Electricity and Telecommunications.
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VOTE: AYES - Yu, Hardeman, Carson

NOES - Makras, Jefferson

Commissioner Jefferson was excused at 5:50 p.m.

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0194	WD	Approving the agreement between the City and County of San Francisco Water Department and its suburban customers to provide data collected from continuous monitoring of the transmission system, to the State Department of Health Services.
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VOTE: AYES - Yu, Hardeman, Makras, Carson

ABSENT - Jefferson

Resolution No. 93-0193: Sustaining the award of Bureau of Light, Heat and Power Contract No. BLHP-202, Maintenance, Repair and Alterations of City-Owned Street Lighting Systems, to the Department of Electricity and Telecommunications

President Yu opened the meeting explaining that the contract award was brought for reconsideration due to protests received from A. Ruiz Construction Co. that the bidding process was not fully competitive. She explained that the contract award complied with the City Charter and the Administrative Code and that by law the contract should be awarded to the Department of Electricity, who was the lowest responsive bidder.

Richard Stromberg, counsel for A. Ruiz Construction Co., argued that private contractors were held to standards different from the Department of Electricity. The major issues he raised were compliance with the MBE/WBE Ordinance, hiring of subcontractors, and posting of surety bonds. He stated that private bidders were not notified that the Department of Electricity would be given such advantages. He said that the bidding process created an inequity for private bidders. He stated that private bidders incur more overhead costs in complying with bid requirements and that is why their bids turn out higher than a City department's bid. He requested that the Commission authorize rebidding of the contract and apply the same standards to all bidders whether it be a City department or private contractor.

Robin Reitzes, Deputy City Attorney, responded to the issues raised by Mr. Stromberg. On the issue of inequity, Ms. Reitzes said that public bidding was established for the benefit of the public entity and not the private contractors. The San Francisco Charter provides that a department shall not be required to furnish security or submit financial information. Regarding the notice issue, Ms. Reitzes said that there were no notice requirements for the City to notify other bidders when a City department bids.

Commissioner Makras asked whether the Department of Electricity has the necessary work force to perform the contract considering the budget cuts all City departments had to face this year.

Edwin Lee, Director, Human Rights Commission, stated that the Public Utilities Commission has the best record in complying with the MBE/WBE Ordinance. He advised that in cases when a City department may bid on a contract, the bid notice should provide full disclosure of exemptions that would be given to a City department.

Stan Smith, Secretary, S.F. Building Trades Council, inquired whether the Department of Electricity, pays their employees the prevailing wage for private employment. George Krueger, Utilities General Counsel, responded that the Controller approved the contract. He stated that the Controller believed that the Salary Standardization Ordinance is higher than the prevailing wage in this contract.

In response to Commissioner Makras' question on the work force issue, Dan McFarland, General Manager, Department of Electricity & Telecommunications, stated that they are hiring four additional positions and moving two 7338's to work on this contract. He stated that the Department of Electricity & Telecommunications has actively pursued the goals of the Equal Employment Opportunity regulations. He commented that the contract award to their department is a direct saving to the general fund.

Commissioner Jefferson emphasized that he had no problems with the Department of Electricity performing the contract work; however, he was concerned about the integrity of the bidding process.

Commissioner Hardeman stated that he was contacted by the Mayor's Office conveying their desire to keep all City departments functioning. He stated that he supported the prevailing wage requirements. He urged the Director of Contract Compliance and staff to ensure that prevailing wage is followed in all contracts.

Commissioner Makras requested staff to send him the worksheet that the Controller used to calculate the project's overhead.

President Yu moved to sustain the Commission's action on June 8, 1993 to award the contract to the Department of Electricity & Telecommunications. Commissioner Carson seconded. Commissioners Makras and Jefferson voted no. The motion passed 3-2.

Item No. (4): Adopting a rental policy for residential housing facilities owned by Hetch Hetchy and the Water Department; and approving the revised rent structure.

The rent structure proposed by staff for Hetch Hetchy and Water Department housing facilities provides a rental charge of \$25 per room/per month inclusive of utilities, to be effective within 90 days from the date of adoption of the resolution. Under the structure, the rent would be further increased to the lesser of the discounted market rate or \$50 per room/per month effective July 1, 1994 unless the Salary Standardization Ordinance is changed.

President Yu stated that the proposed rent structure is fair. She explained that the Watershed Keepers accepted their jobs with the understanding that housing is a part of employee benefits. She stated that the watershed keepers have enjoyed this benefit for a long time and it is now inevitable that there will be a change to make these housing facilities more equitable for the City.

Commissioner Carson emphasized that the Commission was not unmindful of the unique positions of the Watershed Keepers and the defacto decrease in their salaries. However, she agreed that the proposed rent package is appropriate.

Commissioner Hardeman stated that the proposed rent was high for houses that were not adequately maintained. Commissioner Yu responded that all rental revenues would be used to maintain and upgrade the housing facilities.

Commissioner Makras stated that he would be voting against the resolution. He commented that he shared the sensitivity of the workers but he believed that the proposed rental was too low and that the Commission has an obligation to balance the assets of the department. He pointed out that the rent proposal by the Real Estate Department considered the value of the workers by applying three types of discounts - a remote location discount, 25% market value discount, and an age and quality discount.

President Yu moved to approve the resolution submitted by staff. Commissioner Carson seconded. Commissioners Makras and Hardeman voted no. The motion failed, 2-2.

Commissioner Makras moved to adopt the rent recommendations of the Department of Real Estate, approve the three types of discounts, and step up the recommendation over a three-year period ($\frac{1}{3}$ each year for three years). The motion died for lack of a second.

Commissioner Hardeman moved to adopt a monthly rental charge of \$50 for one bedroom, \$75 for two bedrooms, and \$100 for three-bedrooms or more. The motion died for lack of a second.

Commissioner Hardeman made a motion for discontinuance of the item. Commissioner Carson seconded. Commissioner Hardeman withdrew his motion.

President Yu moved to continue this item to give Commissioner Jefferson an opportunity to vote on the matter. Commissioner Carson seconded. Commissioner Hardeman voted nay. The motion passed 3-1.

THEREUPON, THE MEETING WAS ADJOURNED: 6:10 P.M.

Romaine A. Boldridge
Secretary

AUG 06 1993

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PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
July 13, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGERRomaine A. Boldridge
SECRETARY

Call to Order: 2:05 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the Minutes of the Regular Meeting on June 22, 1993 were approved.

On motion of President Yu, seconded by Commissioner Carson, the Minutes of the Special Meeting on June 29, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Hardeman, seconded by Commissioner Carson, the following resolution was adopted:

93-0195 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Water Department totaling \$36,218.62.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

 NO - Makras

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0196 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$131,621.55.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0197 PT Ratifying and approving the non Civil Service and temporary appointments and removals for the month of May 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0198 HH Authorizing the General Manager of the Public Utilities Commission to execute the Second Amendment to the agreement with McLeod & Associates, for economic consulting services, extending the contract term to June 30, 1996, and increasing the contract amount by \$88,000, for a total contract amount not to exceed \$230,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0199 HH Authorizing the General Manager of the Public Utilities Commission to execute the first amendment to the agreement with Daniel B. Steiner, consulting engineer, to increase the contract amount by \$300,000, for a total contract amount not to exceed \$400,000; and authorizing Daniel B. Steiner to subcontracts with Synergic Resources Corporation (SRC), Jones & Stokes, Hannaford Consulting, Inc. and ERM-West.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0200 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2085, 8-Inch Ductile Iron Main Installation in Geary Street between Jones and Kearny Streets, as satisfactorily completed; approving credit Contract Modification no. 1 in the amount of \$8,751.00; authorizing final payment in the amount of \$15,109.00 to the contractor, Shaw Pipelines, Inc.; and approving contract time extension of 14 calendar days due to unavoidable delays.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0201 UEB Approving modification No. 3 to Water Department Contract No. WD-2134, Summit Pump Station Standby Generator and Related Work, with Cresci Electric, Inc., to extend contract completion time by thirty (30) calendar days.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0202 UEB Authorizing bid call for Water Department Contract No. WD-2152, Crystal Springs Pipeline No. 2, Section 3 and Sunset Supply Line - Dielectric Isolation.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0203 UEB Authorizing bid call for Water Department Contract No. WD-2155, McLaren Pump Station Standby Generator and Related Work.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by Commissioner Carson the following resolution was adopted:

93-0204 BMIS Authorizing the General Manager of the Public Utilities Commission to extend the contract with Carlton & Associates/E.H. White & Company for the development of computerized maintenance systems for Hetch Hetchy and the Water Department, to December 31, 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0205 GM Adopting a rental policy for residential housing facilities owned by Hetch Hetchy and the Water Department; and approving the revised rent structure.
- VOTE: AYES - Yu, Jefferson, Carson
- NOES - Hardeman, Makras
- On motion of Commissioner Carson, seconded by President Yu, the following resolution was adopted:
- 93-0206 MR Recommending to the Board of Supervisors an Alternative Municipal Railway Fare Schedule.
- VOTE: AYES - Yu, Hardeman, Jefferson, Carson
- NO - Makras
- On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:
- 93-0207 MR Directing staff to prepare an analysis of the method and costs of distribution of one-day passes and one-week passes.
- VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson
- On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:
- 93-0208 MR Approving the expansion of Contravision advertising by Transit Displays Incorporated (TDI), Municipal Railway's advertising contractor, to 50 buses over the next three years.
- VOTE: AYES - Yu, Makras, Jefferson, Carson
- ABSTAINED - Hardeman
- On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:
- 93-0209 MR Designating Tuesday, August 24, 1993 at 5:30 P.M. in the Board of

Supervisors Chambers, in City Hall, as the date, time and place to hold a public hearing to consider possible reductions in Muni service.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

NOTE: Commissioner Makras was excused at 4:45 p.m.

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0210 MR Authorizing the Municipal Railway to modify the existing contract with Booz, Allen and Hamilton, Inc., for consulting engineering services for the procurement of Articulated Trolley Coaches, extending the contract term to June 30, 1995.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0211 MR Authorizing the Public Utilities Commission Acting General Manager to negotiate and execute a contract with Crain and Associates to provide financial planning services for the San Francisco paratransit program at a cost not to exceed \$40,000.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0212 WD Authorizing the Water Department to prepare an agreement with Santa Clara Valley Water District (SCVWD) to pay for the Water Department's share of the cost of relocating Bay Division Pipe Line Nos. 3 and 4 to an underground alignment, in the amount of \$170,186.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0213 UEB Authorizing bid call for Municipal Railway Contract No. MR-1101, Upper Market Street Transit Thoroughfare Project, Phase 4 - 11th Street to Duboce Avenue - General Construction.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0214 MR Approving settlement of litigation in the case of Murphy v. CCSF, Superior Court No. 939-135.

VOTE: AYES - Yu, Jefferson, Carson

NO - Hardeman

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0215 MR Approving settlement of litigation in the case of Boles v. CCSF, et.al., S.F. Superior Court No. 914-053.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

COMMUNICATIONS

President Yu directed staff to respond to Commissioner Makras' letter regarding revenue recommendations for the Municipal Railway.

INTRODUCTION OF OLD BUSINESS

Commissioner Hardeman commented about the festivity held to celebrate the water spill at O-Shaughnessy Dam. He complimented staff for doing an outstanding job of organizing the function. He stated that no City funds were used for the festivity.

GENERAL MANAGER'S REPORT

Anson B. Moran, Acting General, Manager, Public Utilities Commission, reported that PUC's budget would be heard by the Board of Supervisors' Budget Committee Friday, June 16, 1993. He stated that the budget contained a \$5.5 million shortfall for the Municipal Railway.

Commissioner Makras requested staff to provide information regarding the specific days the Municipal Railway meet its scheduled level of service within the last quarter.

In response to questions from Commissioner Makras, Mr. Moran stated that if the \$5.5 million shortfall is filled by the Board of Supervisors and if there's no impact on the revenue side, there would be no service cuts. Mr. Moran stated that the Municipal Railway's current budget level could only provide marginal service. Commissioner Makras asked what is the level of funding necessary to provide full scheduled service. He commented that he would like to see a real budget that would provide a better than marginal level of service. President Yu stated that budget related issues have to be decided not only by the Public Utilities Commission but the Mayor's Office and the Board of Supervisors as well.

PUBLIC COMMENTS

Samuel Ganzcaruk, commented about service missed on Muni lines 5, 26, and 44. He complained about non functioning doors on some Muni buses and Light Rail Vehicles (LRV's).

Norman Rolfe of San Francisco Tomorrow, spoke urging the Commission to support the core area transit district fee.

James Bryant, representative of Local 790, stated that all Muni stations, except the West Portal Station, have functioning change machines. Johnny Stein, Municipal Railway's General Manager, stated that Muni staff would complete installation of the change machine in West Portal next week.

Commissioner Jefferson asked whether the Police Department would no longer provide security services for the Municipal Railway. Mr. Moran replied that the Police Department would still provide security services but only on a straight-time basis as opposed to the current overtime arrangement. He said that he would meet with staff from the Mayor's Office and the Police Department to ensure that the Police Department would provide all services paid for by the Municipal Railway.

Bobbie Brown, representative of the Transport Workers Union, Local 250A, commented that the Municipal Railway would be getting a reduced level of service from the Police Department by using straight time.

Item 9(f): Awarding San Francisco Water Department Contract No. WD-2064R, 36-Inch Steel Main Installation in Dolores Street between San Jose and 25th Streets, 25th Street between Dolores and Sanchez Streets, Sanchez Street between 25th and 22nd Streets, and 22nd Street between Sanchez and Castro Streets, in the amount of \$2,302,364.00 to A. Ruiz Construction Company and Associates/Ranger Pipelines, Inc.

This item was continued to the next regular Commission meeting to allow time for the Commissioners to review the project.

Resolution No. 93-0205: Adopting a rental policy for residential housing facilities owned by Hetch Hetchy and the Water Department; and approving the revised rent structure.

Jack O'Shea, a Watershed Keeper, commented that the rent increase would further raise employees' out-of-pocket expenses. He stated that the San Mateo County recently raised their possessionary taxes because of the rent increase.

Commissioner Hardeman stated that the rent increase is unfair to the watershed keepers. He suggested that the Commission should decide whether the City should bear the cost of possessionary taxes.

Commissioner Jefferson commented that he supported staff's recommendation. He stated that the staff's proposal addressed the Commission's objective to increase the rental rates up to current fair market value and to recognize special circumstances by applying a discount. He said that the issues and concerns of all parties affected by the change were also considered.

President Yu moved to adopt the resolution increasing the rent structure to \$25.00 per room for residential housing facilities owned by Hetch Hetchy and the Water Department. Commissioner Jefferson seconded. Commissioners Hardeman and Makras voted no. The motion passed 3-2.

Commissioner Makras made a motion to establish a rent structure, based on the recommendation by the Real Estate Department, for watershed keepers who would be hired in the future. George Krueger, Utilities General Counsel, stated that the Commission could not vote on the motion because it deals with an issue separate from the resolution before the Commission. President Yu directed staff to calendar this matter at the next Commission meeting. James Bryant, Local 790 representative, commented that any decision regarding Commissioner Makras' motion requires "meet and confer" with the union. President Yu directed staff to advise the Commission regarding the "meet and confer" issue.

Resolution No. 93-0206: Recommending to the Board of Supervisors an Alternative Municipal Railway Fare Schedule.

President Yu stated that the Public Utilities Commission was requested by the Board of Supervisors to review the issues involving the Muni transfer system. The Board also asked

the Commission to explore other alternatives to enhance revenues for the Municipal Railway instead of the proposed fare increase to \$1.25. She stated that the Board of Supervisors had indicated it would support raising the cost of the monthly pass to \$35.00.

President Yu summarized staff's proposals, as follows: (1) replace transfers with \$9.00 one-week passes; (2) replace transfers with \$2.00 one-day passes; (3) limit transfers to one-way; and (4) replace transfers with \$0.80 discount tokens. President Yu stated that the monthly fast passes and weekly passes would only be effective for the month or the week they were issued.

Michelle Witt, Director, Bureau of Finance, discussed the proposals in detail. Ms. Witt stated that the proposals incorporated issues such as impact on the Municipal Railway's operations, drivers' safety, and whether it would eliminate or reduce transfer fraud.

Ms. Witt explained that the first alternative to totally eliminate transfers, would generate between \$1 million-\$9 million in revenues. She stated, however, that it has a significant negative impact on various neighborhoods in the City. She stated that to mitigate the impact, staff was proposing a one-week pass for those individuals who rides Muni three or more times a week. This alternative would take four months to implement.

Ms. Witt said that the discount token alternative, would require changing the cost of a token, and expanding the vendor network. She stated that it would take three to four months to implement this alternative.

Ms. Witt stated that the one-time transfer option would take several months to complete and no start-up cost would be incurred.

The following individuals commented:

Shelley Salieri requested the Commission to leave the monthly pass effective for three days beyond its expiration date.

Phillip Seronick stated that he favored eliminating transfers. He requested the Commission to leave the cost of a discount pass at \$5.

Samuel Ganczaruk stated that the idea of eliminating Muni transfers is extremely inequitable. He suggested replacing transfers with fare receipts.

Norman Rolfe stated that he opposed eliminating transfers. He suggested using a machine issued transfers to alleviate transfer theft.

Bobbie Brown, representative of the Transport Workers Union, spoke in favor of eliminating transfers, and implementing the weekly pass and discount token recommendations.

Bob Planthold, opposed limiting transfers to one-time use.

Commissioner Jefferson suggested investigating the possibility of a machine operated system that would allow issuance of both one-week and one-day passes.

Commissioner Carson moved to recommend that the Board of Supervisors eliminate Muni transfers; institute a change in the fare structure to include a one-week pass at \$9.00, use discounted tokens at \$0.80, and raise the costs of the monthly pass to \$35.00 and the discount pass to \$8.00. President Yu seconded. Commissioner Makras voted no. The motion passed 4-1.

President Yu directed staff to submit a resolution to the Board of Supervisors outlining the alternative proposals for the current transfer system, and the Commission's recommendation. The resolution should reflect that staff considered the issues of equity, security and revenue enhancement in the proposals.

Resolution No. 93-0207: Directing staff to prepare an analysis of the method and costs of distribution of one-day passes and one-week passes.

President Yu moved to direct staff to provide to the Commission an analysis of the description, method of distribution and the costs to implement the one-day pass and the one-week pass. Commissioner Jefferson seconded. The motion passed unanimously.

Resolution No. 93-0208: Approving the expansion of Contravision advertising by Transit Displays Incorporated (TDI), Municipal Railway's advertising contractor, to 50 buses over the next three years.

Commissioner Hardeman requested that he be allowed to abstain from voting on this matter. President Yu moved and Commissioner Carson seconded to excuse Commissioner Hardeman from voting. The motion passed unanimously.

The following individuals spoke opposing bus-wrap advertising project: Shelley Salieri stated that advertising on Muni buses distracts the vision of passengers looking out the window. Samuel Ganczaruck commented that this project could be violating the ordinance passed by the Board of Supervisors banning moving billboards. Bob Planthold commented that Muni buses were not readily recognizable as Muni vehicles.

Commissioner Makras moved to adopt the resolution. President Yu seconded. The motion passed unanimously.

Resolution No. 93-0209: Designating Tuesday, August 24, 1993 at 5:30 P.M. in the Board of Supervisors' Chambers, in City Hall, as the date, time and place to hold a public hearing to consider possible reductions in Muni service.

President Yu directed staff to submit a service reduction proposal for \$3 million for the next six months, and a separate proposal amounting to \$3 million for the following six months. President Yu suggested identifying the lines and hours which are going to be cut and the rationale for each recommendation.

President Yu moved and Commissioner Jefferson seconded to start the regular meeting on August 24, 1993 at 4:00 p.m. and hold the public hearing to consider service reductions at 5:30 p.m. in the Board of Supervisors' Chambers in City Hall. The motion passed unanimously.

Item No. (12): Discussion of Proposed Charter Amendment, establishing a Water and Power Commission and a Commission and Department of Public Transportation.

Andy Moran, Acting General Manager, Public Utilities Commission, discussed recent changes in the proposed Charter Amendment. They are as follows: (1) determination of the reporting responsibility of the Water and Power Commission, whether to a Commission or to the Chief Administrative Officer; (2) transfer of the Clean Water Program to the Water & Power Commission; (3) type of appointment for the Water & Power Commission and the Transportation Commission were changed from term appointments to pleasure appointments; and (4) revision of provisions regarding the transfer of surplus to the general fund. Mr. Moran stated that the purpose of the amendment was to combine like functions. Commissioner Makras requested staff to complete the assessment of the costs of breaking up PUC, including capital costs, such as moving expenses, computer systems and furniture.

NOTE: President Yu called for a recess at 4:45 p.m.. The meeting resumed at 5:00 p.m.

Commissioner Makras was excused at this time.

Item No. (13): Presentation on Water Filtration Project.

Steve Leonard, Program Manager for the Water Treatment Program, discussed the status of the water filtration project study. He stated that the State Department of Health and Services advised that Hetch Hetchy water meets the Environmental Protection Agency's (EPA) criteria for filtration avoidance. He stated that staff is on track in terms of the compliance agreement.

Item No. (14): Review of the Draft Municipal Railway Short Range Transit Plan and Capital Improvement Program 1993-2002.

This item was continued to a workshop that would be held on a date to be determined.

Item No. (15): Authorizing the General Manager of the San Francisco Municipal Railway to permit Friends of the Cable Car Museum, Inc. to operate as curator/concessionaire in the Cable Car Barn gallery.

Item No. (16): Authorizing the Municipal Railway to execute a contract with Booz, Allen & Hamilton to provide engineering services for the Trolley Coach Procurement Program.

Item Numbers 15 and 16 were continued.

Item No. (20): Authorizing bid call for Municipal Railway Contract No. MR-1101, Upper Market Street Transit Thoroughfare Project.

Norman Rolfe, representing San Francisco Tomorrow, requested that the Commission continue this item until answers to questions raised in his letter of July 9, 1993 were provided and could be analyzed.

President Yu moved and Commissioner Jefferson seconded to adopt the resolution. The motion passed 4-0.

THEREUPON, THE MEETING WAS ADJOURNED TO EXECUTIVE SESSION: 5:25 P.M.

Romaine A. Boldridge
Secretary

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MINUTES
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CITY AND COUNTY OF SAN FRANCISCO

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Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
July 27, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:40 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted in executive session:

93-0216 MR Approving settlement in the case of CCSF v. Ocean Beach Associates, et.al., Superior Court No. 884-694.

VOTE: AYES - Hardeman, Makras, Jefferson, Carson

ABSENT - Yu

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0217 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$80,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0218 MR Authorizing the Municipal Railway to execute a contract with Booz, Allen & Hamilton, Inc. to provide engineering services for the Trolley Coach Procurement Program in an amount not to exceed \$1,207,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0219 HH Authorizing the General Manager of the Public Utilities Commission to execute the Ninth Amendment to the agreement with Grueneich, Ellison & Schneider, for legal services, increasing the contract amount by \$911,000 for a total contract amount not to exceed \$3,248,500.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0220 UEB Accepting Contract No. MR-868, Metro Center Improvement - Track Switch Electrification and Replacement Project, as satisfactorily completed; assessing Shimmick Construction Company, Inc. \$25,000.00 in liquidated damages for late completion; and approving final payment in the amount of \$20,000.00 to Shimmick Construction Company, Inc. and A. Ruiz Construction Company and Associates, a joint venture.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0221 UEB Accepting Contract No. WD-2062, San Antonio Pump Station Improvements, as satisfactorily completed; approving Contract Modification No. 2 in the amount of \$20,058.83; authorizing an extension of time for unavoidable delay of 30 calendar days; and authorizing final payment in the amount of \$57,819.49 to the contractor, Power Engineering Contractors, Inc.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0222 UEB Awarding the San Francisco Water Department Contract No. WD-2064R, 36-Inch Steel Main in Dolores Street between San Jose and 25th Streets, 25th Street between Dolores and Sanchez Streets, Sanchez Street between 25th and 22nd Streets, and 22nd Street between Sanchez and Castro Streets, to A. Ruiz Construction Company and Associates/ Ranger Pipelines, Inc. in the amount of \$2,302,364.00, subject to the Board of

Supervisors' approval to extend the time for award.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0223 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2116, 16-Inch Ductile Iron Feeder Main Installation in Valencia Street between 14th Street and 17th Street.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0224 UEB Authorizing bid call for San Francisco Water Department Contract No. WD- 2124, 8-Inch Ductile Iron Main Installation in Geary Boulevard between 5th Avenue and 16th Avenue.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

93-0225 MR Authorizing the General Manager of the Public Utilities Commission to execute a five-year contract with ADT Security Systems West, Inc., to maintain electronic security systems at various Municipal Railway facilities, for a contract amount not to exceed \$301,372.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Yu, the following resolution was adopted:

93-0226 MR Authorizing the General Manager of the Public Utilities Commission to execute an agreement with Merrill & Associates to conduct the Geary Corridor System Planning Study, for a contract amount not to exceed \$285,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Yu, the following resolution was adopted:

93-0227 MR Authorizing the General Manager of the Public Utilities Commission to execute Amendment No. 2 to the agreement with Cerenio Management Group (CMG), Paratransit Broker, to perform additional administrative duties associated with the implementation of the Americans with Disabilities Act, for an amount not to exceed \$365,000.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

 NO - Makras

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0228 HH Authorizing bid call for Hetch Hetchy Contract No. HH-834, Old Moccasin Powerhouse Rehabilitation Project.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Yu, seconded by Commissioner Carson, the following resolution was adopted:

93-0229 UEB Authorizing the General Manager of the Municipal Railway to amend the Professional Services Agreement with Booz-Allen & Hamilton, Inc. to provide additional engineering support for Phase 2, Engineering Support, Prototype Installation and Testing of the Advanced Train Control System (ATCS) in the amount of \$735,010, for a total contract amount not to exceed \$1,515,010; and extending the term of the agreement through September 30, 1994.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0230 BF Authorizing the Assistant General Manager of the Bureau of Finance to apply for, accept and expend \$7,065,199 in FTA Section 9 Operating Assistance, \$22,949.793 in Federal Section 9 Capital Assistance, and \$5,736,977 from state, regional, and local match funds for the following projects: Operating Assistance, Trolley Bus Replacement, Muni Metro Accessibility Improvements, Cable Car Vehicle Renovation, Light Rail

Vehicle Modification, Diesel Bus Rehabilitation and Subway Signal System Replacement.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0231 BF Authorizing the Assistant General Manager of the Bureau of Finance to apply for, accept and expend \$48,733,803 in FTA Section 3 Fixed Guideway Capital Assistance and \$12,041,564 in local match funds for the following projects: Muni Metro Turnback, Trolley Bus Purchase and Light Rail Vehicle Purchase.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0232 BF Authorizing the Assistant General Manager of the Bureau of Finance to apply for, accept and expend \$12,294,088 in Federal Surface Transportation Program/Congestion Management Air Quality Capital Assistance; \$1,316,340 in Federal Urban Aid Systems Capital Assistance; and \$1,000,000 in Federal Transit Enhancement Capital Assistance for the following Municipal Railway projects: Trolley Bus Purchase, Trolley Overhead Reconstruction, Muni Metro Accessibility Improvements, Fixed Facilities Maintenance, Miscellaneous Equipment Purchase, Signal Pre-emption, Muni Rail Replacement, Passenger Platforms and Cable Car Museum.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

ANNOUNCEMENT:

President Yu announced that the Public Utilities Commission met in an executive session immediately before the meeting and approved a settlement in the case of CCSF v. Ocean Beach.

INTRODUCTION OF OLD BUSINESS:

Commissioner Makras requested staff to calendar at the next meeting an item concerning the rental payment received from the Olympic Club.

INTRODUCTION OF NEW BUSINESS:

Commissioner Hardeman thanked Richard Brandt, Utilities Engineering Bureau Manager, and his staff for the tour of the San Andreas Pipeline replacement project and other project sites.

Commissioner Makras requested that staff calendar his proposal to roll back the fares for senior, youth and disabled at the next meeting.

GENERAL MANAGER'S REPORT:

Anson B. Moran, Acting General Manager, Public Utilities Commission, reported that the Board of Supervisors adopted the Muni budget for FY 1993-94 and the Muni fare increase. Mr. Moran stated that revenues of the Municipal Railway would need to be closely monitored as Muni transfers will be replaced with the one-day pass and the one-week pass starting October 1, 1993.

Mr. Moran also reported that the Board of Supervisors adopted the proposed charter amendment involving the reorganization of the Public Utilities Commission. The Board amended the proposal to set up the Transportation Commission separate from the Public Utilities Commission. The present Public Utilities Commission would remain in charge of the Water Department and Hetch Hetchy. He stated that the measure provided that the Board of Supervisors may elect to move Parking & Traffic to the Transportation Commission. The composition of the Transportation Commission would be increased to seven members to accommodate members of both Parking & Traffic and the Transportation Commission.

Romaine Boldridge, Commission Secretary, announced that the workshop on the Municipal Railway's Short Range Transit Plan would be held on August 6, 1993 at 1:00 p.m., in Room 2-C, City Hall.

PUBLIC COMMENT:

David Pilpel spoke supporting the implementation of a Transit Impact Development Fee Maintenance District. He suggested providing the necessary resources to maintain the required level of service.

Bill Price, representing the Senior Action Network, supported the proposal to roll back the fare for senior, youth and disabled.

Geraldine Earp, representing the Senior Action Network, urged the Commission not to proceed with the fare increase and to consider a fare structure more equitable for all Muni passengers.

Phillip Seronick opposed the increase of the discount pass to \$8.00.

Robert Pender, Vice President of Park Merced Residents Organization, inquired about an item on the Consent Calendar regarding changes in revolving fund rules. President Yu suggested that Mr. Pender call Finance staff for further details.

Claire Caldwell, Transport Workers Union, Local 250A, stated that she supported the rollback of fares for senior, youth and disabled.

Item 9(b): Requesting the Controller's concurrence in amending Rule 6, Sections D and E, and Rule 7, Sections A through D, Rules and Regulations, Public Utilities Commission Revolving Funds.

This item was continued to the next regular Commission meeting to fulfill notice requirements.

Item (10): Update on the Status of the Bayshore Corridor Study.

Richard Tellis, Project Manager, from Wilbur Smith & Associates, presented the alternatives currently being evaluated for the preliminary design of the Bayshore Corridor Project. With the aid of maps, Mr. Tellis described each of the transit alternatives for the Bayshore Corridor.

Item (11) Status of the Day/Week Pass Implementation.

Michelle Witt, Director, Bureau of Finance, handed out samples of the one-day, one-week and monthly passes. She stated that effective August 1, 1993 all passes would have holograms to prevent counterfeiting. She stated that the design of the daily pass would be similar to the Muni Passport and the weekly pass would be similar to the monthly pass.

Ms. Witt presented a timeline for implementing the fare increases and program changes. She stated that the transfers would not be eliminated until October 1, 1993.

Ms. Witt discussed the issues regarding the method of distribution of the one-day pass and the one-

week pass. She stated that the Municipal Railway currently has 240 vendors selling monthly passes. She said that based on a telephone survey, 30% of these vendors are willing to sell a weekly pass for a \$0.25 commission. Commissioner Makras commented that such an arrangement would not bring new revenues to the Municipal Railway.

Commissioner Makras suggested inviting vendors to come to a Commission meeting and demonstrate machines that could issue one-day passes on board Muni vehicles.

Anson B. Moran, Acting General Manager, replied that there are no available staff resources to conduct a vendor presentation. He said that staff are currently dealing with the implementation of the new fare structure by August 1st and the new passes by October 1, 1993.

Ms. Witt advised that staff were looking at other options for selling the daily and weekly passes such as having other City departments sell passes, as well as senior centers and neighborhood groups.

Commissioner Makras stated that there were three methods of distributing the one-day pass: one is investing in ticket machines to issue passes on board Muni vehicles; second, having drivers handing out the daypass; and third, expanding the vendor network. Commissioner Makras indicated that the option of the drivers handing out the passes on board is the best and cheapest solution. He stated that in order to prevent theft, a system should be employed to monitor and account for passes issued to drivers. Commissioner Makras also suggested using an electronic bank account debit system to collect revenue from pass vendors.

Mr. Moran stated that when the Board of Supervisors suggested a one-day pass, staff advised them of the option of drivers handing out passes on board Muni vehicles. Mr. Moran said that the operators, union officials and Muni management rejected the idea because they thought it was unfair to expect drivers to do more than they are currently doing.

President Yu commented that the main concern of the Commission is to make the one-day and one-week passes work, find ways to make them work, and determine how much it will cost to implement them.

Claire Caldwell, representative of the Transport Workers Union, opposed the idea of the drivers handling passes. She stated that it would result in more assaults on drivers.

Larry Martin, International Representative, Transport Workers Union, commented that there were not enough security forces for the protection of employees and the public.

David Pilpel suggested looking at the impact of fare changes on regional fare coordination agreements.

Shelley Salieri commented that a machine vended pass is the most practical method of distributing passes.

President Yu directed staff to provide the Commission a status report on the implementation of the one-day and one-week passes at the Special Commission meeting on August 6, 1993.

Item No. (12): Service Standards and Service Planning.

This item was continued to the Special Commission meeting on August 6, 1993.

Resolution No. 93-0226: Authorizing the General Manager of the Public Utilities Commission to execute an agreement with Merrill & Associates to conduct the Geary Corridor System Planning Study, for a contract amount not to exceed \$285,000.

Commissioner Jefferson congratulated staff for selecting a WBE prime contractor for this project.

Commissioner Jefferson, moved and President Yu seconded to adopt the resolution. The motion passed unanimously.

Resolution No. 93-0227: Authorizing the General Manager of the Public Utilities Commission to execute Amendment No. 2 to the agreement with Cerenio Management Group (CMG), Paratransit Broker, to perform additional administrative duties associated with the implementation of the Americans with Disabilities Act.

Commissioner Makras asked whether the contract provided a clause that the contractor will perform additional work brought about by changes in federal government rules. He said that he wanted to review the contract language.

Commissioner Jefferson moved and President Yu seconded to adopt the resolution. Commissioner Makras voted no. The motion passed 4-1.

Resolution No. 93-0228: Authorizing bid call for Hetch Hetchy Contract No. HH-834, Old Moccasin Powerhouse Rehabilitation Project.

Richard Brandt, Manager, Utilities Engineering Bureau advised that the explanation of the project submitted to the Commission was amended to reflect that the contractor will be assessed for actual damages rather than "\$200,000 or actual damages due to loss in power generation".

Commissioner Makras requested a detailed description of the project.

President Yu moved and Commissioner Jefferson seconded to adopt the resolution. The motion passed unanimously.

Resolution No. 93-0229: Authorizing the General Manager of the Municipal Railway to amend the Professional Services Agreement with Booz-Allen & Hamilton, Inc. to provide additional engineering support for Phase 2, Engineering Support, Prototype Installation and Testing of the Advanced Train Control System (ATCS).

Barbara Moy, Project Manager, stated that the contractor had not met the Disadvantaged Business Enterprise (DBE) goal in Phase 1 because of changes in the scope of the project. Ms. Moy said that the contractor has committed to achieve 35% DBE participation in Phase 2, and that a DBE subcontractor has been identified for the work.

President Yu directed staff to submit quarterly a procurement impact statement by categories and by status of how contracts are being awarded.

President Yu moved and Commissioner Carson seconded to adopt the resolution. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 5:10 P.M.

Romaine A. Boldridge
Secretary

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/ **CITY AND COUNTY OF SAN FRANCISCO**

Frank M. Jordan
MAYOR

SPECIAL MEETING

Room 2-C, City Hall
1:00 P.M.
/// August 6, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 1:20 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner James D. Jefferson, Commissioner Patricia A. Carson

Excused: Commissioner Victor G. Makras

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

REPORT OF THE GENERAL MANAGER

Update on Implementation of the Day/Week Pass

Michelle Witt, Director of Finance, reported that the department had been working with the City Purchaser to put the Day and Week Passes in place by October 1, 1993. Regarding the Day Pass, she said that the City was close to an agreement with the current printer to amend the contract to include the Day Pass. Also staff had been working on expanding the vendor network and would report to the Commission at its next meeting regarding new vendors. A sample of the new Day Pass was displayed. The pass was designed so that the rider will scratch off the date to validate the pass for use. She said that the Municipal Railway's Community Affairs unit would advertise the new passes in ethnic and neighborhood newspapers.

President Yu suggested the use of a decal to identify where Day Passes could be purchased.

Item (4): Workshop on the San Francisco Municipal Railway Short Range Transit Plan and Capital Improvement Program 1993-2002 (SRTP).

Peter Straus, Director of Planning, Municipal Railway, described the principles of service planning (from Chapter 2 - Goals and Objectives of the SRTP). He said that in designing service for the City, Objective 1 is to provide service within one-quarter of a mile as the basic service equity standard, within a 20-hour service day from 5:00 A.M. to 1:00 A.M. Objective 2 covers the frequency-of-service standard which ranges from 10 minutes during peak periods to 30 minutes during off peak periods and for owl service. Ridership tends to fall off when service is reduced to between 10-20 minutes. Objective 3 is the "crowding" standard. For scheduling purposes, Muni uses 63 passengers per 40 foot bus as its target for maximum passenger loads. Objective 5 is to facilitate a multi-destinational system,

other than travel oriented to the central business district (CBD), by maintaining a modified grid route network. Mr. Straus said that the first criteria people consider when judging the convenience of service are travel time, waiting time and reliability. After that there are issues such as comfort, type and quality of seating and cleanliness of vehicles. While these are important, usually they are of lesser importance than basic transportation access and reliability.

Mr. Moran stated that some of the quality issues, like type of seats, are built into the equipment specification. We specify hard seats because of their durability and the maintenance costs. During these tough budget times, the City has opted for quantity over quality. Cutting back on street supervision has an effect on the ability to evenly space vehicles. We have cut back on street supervision, station agents, training and other quality type issues. These are areas that the City has consciously chosen not to fund.

President Yu expressed the view that the Commission should look at what the service standard should be. We do not know what funding will be available in the future. When adjustments are made, the Commission needs to know what standard they are deviating from. She said that the Commission should look at a short term approach -- what can be done in the next year, and a long term approach -- what can be done in terms of improving or affecting service. She suggested looking at the question of whether we need full size buses on all lines.

Mr. Straus discussed various approaches to service reductions. He used tables to show comparisons of productivity by line and how Muni lines compare to other Bay Area transit systems. He said that there was the perception that Muni service is a lot richer in the evening than it need be and that all we need to do is to cut back on evening service to achieve savings. If we need to save \$6 or \$8 million, reducing to half hour service in the evening will not save much. Evening service is less frequent, usually with 20 minute headways. Going to a 30 minute headway does not produce significant savings. In some cases it only takes one bus off the line. Where there would be savings is on the truck lines like the 38-Geary. Low productivity lines are usually community service lines like on Twin Peaks where service is already on 30 minute headways.

Mr. Moran emphasized that if we were to eliminate all evening service after 9:00 P.M. we would save \$10 million out of a \$270 million budget.

At 3:05 the meeting was recessed.

At 3:20 the meeting was reconvened.

Michelle Witt, Director of Finance, stated that over the last five years fare revenues increased from 30 percent of the operating budget to 38 percent in 1994. Other funding sources are the general fund, state, federal and local subsidies. The SRTP is a blueprint of how we expect to meet future needs, inflationary costs, interest costs of new projects coming on-line and expanding service. She said that staff were looking at how fares will change over the next decade. They are considering more prepayment of fare by

purchasing passes, expanding pass distribution by adding vendors and keeping transit affordable.

Ms. Witt said that staff were looking for more dedicated revenue for Muni. The Charter Amendment for the Transportation Commission contains \$74 million in dedicated parking revenues for Muni. Other possible sources are a Transit Maintenance Assessment District, and reassessing the Transit Impact Development Fee. Sixty percent of the sales tax fund under the Transportation Authority is set aside for Muni projects. Muni also competes for funding on a regional level.

Norman Rolfe urged the Commission to maintain its service goals and to notify the public when the department cannot meet its goals. He said that the goal for LRV service should be 105-110 percent rather than 95 percent stated in the SRTP. He emphasized the need for transfers and a marketing program to determine demand.

Bobbie Brown, President, Transport Workers Union, Local 250A, stated that with the reduction in available equipment, the decrease in the number of supervisors and the level of service demand, Muni is operating a magnificent system. He said Muni needed the components to run the system at whatever level of service is decided upon -- that is equipment, operators and good supervision.

THEREUPON, THE MEETING WAS ADJOURNED: 4:00 P.M.

Romaine A. Boldridge
Secretary

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CITY AND COUNTY OF /SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.

August 10, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:05 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

On motion of President Yu, seconded by Commissioner Hardeman, the Minutes of the Regular Meeting on July 13, 1993 were approved.

On motion of President Yu, seconded by Commissioner Carson, the Minutes of the Regular Meeting on July 27, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted in executive session:

93-0233 HH Approving settlement in the case of Webco Pacific, Inc. v. CCSF, Superior Court No. 945-846.

VOTE: AYES - Yu, Jefferson, Carson

 ABSENT - Hardeman, Makras

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

93-0234 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the San Francisco Water Department totaling \$40,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner

Carson, the following resolution was adopted:

- 93-0235 BF Approving collection of charges for damages for the months of May and June 1993, against the San Francisco Municipal Railway from miscellaneous debtors in the amount of \$8,694.85 and write-off compromise reductions for comparative negligence in the amount of \$7,044.81.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

- 93-0236 PT Ratifying and approving the Non Civil Service and Temporary appointments and removals made by the General Manager for the Month of June 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

- 93-0237 MR Approving the plans and specifications as prepared and recommended by staff, and hereby authorizing Bid Call for Municipal Railway Contract No. MR-1051 - Various Locations- Replacement of Sidewalks.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

- 93-0238 WD Approving Amendment No. 2 to the Agreement between the State Department of Water Resources and the City and County of San Francisco for the Construction, Operation and Maintenance of the Temporary Sunol Blowoff Turnout Within South Bay Aqueduct Right of Way.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

93-0239 MR Accepting the work performed under the Municipal Railway Contract No. MR-1026 Presidio Trolley Coach & General Office Facility, Rehabilitate HV System of the General Administrative Office, as satisfactorily completed; approving Contract Modification No. 2 and authorizing an extension of time for unavoidable delays of 16 calendar days; and authorizing final payment in the amount of \$13,232.99 to the contractor, T & M Sheet Metal Company.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

93-0240 MR Accepting the work performed under Municipal Railway Contract No. MR-1039-R - Curtis E. Green Light Rail Facility, Geneva Site - Maintenance Building, Paint Booth Fans Modification, as satisfactorily completed; approving Contract Modification No. 1 and authorizing an extension of time for unavoidable delays of 70 calendar days; and authorizing final payment in the amount of \$9,428.65, to the Contractor, E. Mitchell, Inc.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson

NO - Makras

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

93-0241 UEB Approving Contract Modification No. 3 to the Professional Services Agreement with Manna Consultants, Inc. which extends the term of the contract from April 30, 1991 to December 30, 1991; and authorizing final payment in the amount of \$76,901.32.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0242 GM Designating Tuesday, September 14, 1993 at 4:00 P.M., in Room 282, City Hall, San Francisco, California, as the date, time and place for a public hearing to consider revisions to the Municipal Railway discount fares.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the following resolution was adopted:

93-0243 MR Authorizing the General Manager of the Municipal Railway to execute a permit with Friends of the Cable Car Museum, Inc. to assume the curatorship and operate the souvenir concession of the Cable Car Museum commencing August 15, 1993 and continuing until September 30, 1994.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:

93-0244 MR Awarding Municipal Railway Contract No. MR-1050, Overhead Lines Traction Power Systems Various Locations - Installation of Traffic Preempts Phase I in the amount of \$116,040.00 to Hetch Hetchy Transit Power.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0245 BF Authorizing the Assistant General Manager of the Bureau of Finance to apply for and accept up to \$2.8 million of Bridge Toll funds for SFMRIC lease payment and \$53.6 million of regional funds such as Transportation Development Act (TDA), State Transit Assistance (STA), AB 1107 half-cent sales tax revenues, BART Transfer funds, and federal assistance through the Sections 8 and 9 programs for 1993-94 Municipal Railway operations, and to expend the \$41,200 in planning funds from Section 8 program.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0246 UEB Approving the transfer of a total of \$572,342.00 from various Hetch Hetchy Water and Power projects to Project 873 Priest Reservoir

Diversion Channel in order to award the construction contract and provide construction management services.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0247 UEB Approving award of Hetch Hetchy Contract No. HH-835, Priest Reservoir Diversion Channel in the amount of \$1,271,390.00 to R.D. & S. Contractor, Inc.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

REPORT OF THE GENERAL MANAGER

Housing

Anson B. Moran, Acting General Manager of Public Utilities, reported that all employees residing in PUC housing had been advised of their new rental rate which is due to become effective October 11, 1993. Meet and confer sessions are in progress with the union on this matter. Regarding the department's policies on assignment of housing, a memorandum on Hetch Hetchy's existing policy has been submitted to the Commission and the Water Department is developing a written policy which will be forwarded to the Commission when it has been completed. Regarding the rental rate for new employees, staff have concerns about establishing two classes of employees paying different amounts for the same benefit. It would be staff's intention to defer this issue until after implementation of the new rental schedule.

Commissioner Hardeman stated that he was opposed to a two-tier rent schedule.

Street Lights

Mr. Moran stated that the Commission's policy of using high pressure sodium street lights had been submitted to the Board of Supervisors for adoption. The question has been raised as to whether the City should buy out street lights currently owned by Pacific Gas and Electric Company (PG&E). He said that the City had been interested in that for some time. PG&E had expressed an interest in converting existing lights from mercury vapor to high pressure sodium. Then the City would pay PG&E the price of the conversion and take ownership of the lights. The department is currently assessing the proposal.

PUBLIC COMMENTS

Pearl Bothino, 3005 San Bruno Avenue, stated that she had received a water bill for \$151.00 when her usual bill is about \$35.00. This matter was referred to the Water Department.

Harry Jamerson, representing the Cement Masons Union, stated that the Commission had awarded construction contracts to contractors who do not pay the prevailing wage and are not signatory to a bonafide apprenticeship program or pay into an apprenticeship training program.

Commissioner Makras requested that staff look into these allegations and report the findings to the Commission.

Item No. (10): Presentation of the Terminal Separator Structure/Transbay Terminal Report.

Rebecca Kohlstrand, of the Department of City Planning, presented the alternatives to the Terminal Separator Structure that were covered in the report with the aid of maps and charts. She said that the issue was how to replace the capacity lost by the ramps that were demolished due to earthquake damage. Should the ramps be rebuilt as they were before the earthquake? Or, should the City pursue alternative designs? She discussed traffic issues, funding of a replacement structure and completion schedules for each alternative. This was an informational presentation since the Board of Supervisors is the decision making body on this matter.

Peter Straus, Director of Planning, Municipal Railway, described the current problems Muni is experiencing around First, Battery, and Bush Streets due to the increase in traffic congestion on the street after loss of the ramps. He urged implementation of interim measures, and inclusion of mitigation measures for surface transit in the selected alternative. He expressed concerns about the potential for traffic conflicts with Muni Metro when it is constructed on The Embarcadero.

Norman Rolfe, representing San Francisco Tomorrow, spoke in favor of not replacing the Terminal Separator and looking at implementing Transportation System Management, (TSM) measures before rebuilding. If rebuilding is necessary, Alternative 3 would be the least disruptive.

David Pilpel said that a larger range of alternatives should be considered, and urged re-establishment of the East Bay Terminal Facility.

John Woodbury, member of the Board of Directors of AC Transit, stated that Concept A for the Transbay Terminal Facility would result in additional costs of \$2.7 million annually to AC Transit. He urged its rejection as soon as possible. Concept B would not be operationally feasible due to the loss of bus storage capacity. Concept C or something similar is the most feasible and could emphasize the role the terminal could play as a regional terminal.

Bob Meyers spoke in behalf of San Francisco Beautiful, the American Institute of Architects, and business and property owners on Folsom Street. He said that any of the alternatives were far better than the Caltrans alternative.

In response to Commissioners comments, Mr. Moran suggested preparing a letter to the Board of Supervisors for the President's signature expressing the need for traffic mitigation measures as part of any long term plan. The Board of Supervisors is scheduled to take final action on this matter August 23, 1993, which is prior to this Commission's next meeting.

Resolution No. 93-0242: Designating Tuesday, September 14, 1993 at 4:00 P.M., in Room 282, City Hall, San Francisco, California as the date, time and place for a public hearing to consider revisions to the Municipal Railway discount fares.

This matter was calendared for discussion of implementation of the revised fare structure and consideration of whether or not to schedule a public hearing on further revisions to Municipal Railway fares.

President Yu began the discussion with public comments. The following persons spoke: in opposition to the fare increase for senior citizens, youth and disabled persons; opposition to the elimination of transfers; in favor of restoration of transfers; and urged the Commission to schedule a public hearing to address these issues.

Barbara Elias-Baker, Senior Action Network
Flora P. Caragay, Senior Action Network
Geraldine G. Earp, Senior Action Network
Shirley A. Bierly, Senior Action Network
Jeanne Lynch, Senior Action Network
Bill Price, Region II, Congress of California Seniors
Bob Planthold
Dwight Benina, presented a petition
Shelley Elvira Salieri
Phillip Seronick
Yvonne Morro
Ethel Dudley Blair
Landis Whistler, Stonestown Tenants Association

Lee Brown, NAACP
A. M. Schreiber
Robert Pender, Park Merced Residents Organization
David Spero
Irina Oryol, Mercy Terrace
Nick Pasquariello
Maggie Olesen
Lee Goland

David Pilpel spoke in opposition to scheduling a public hearing.

Commissioner Hardeman suggested using a transfer stamped "senior, youth, disabled" for discount riders.

At 4:00 P.M., the meeting was recessed.

At 4:15 P.M., the meeting was reconvened.

President Yu summarized some of the issues raised in the public testimony. She mentioned the fairness of the increase in senior, youth and disabled fares relative to the basic adult fare increase; accessibility as regards the Day Pass; and perceived discrimination in the manner in which the fare package was put together. She said that the Commission would like to address the issues related to the discount fares including access to a day pass for discount riders. However, the Commission wants to give the no transfer system a chance to work and to see what the revenue package will be.

Commissioner Hardeman spoke in favor of opening the hearings entirely.

Commissioner Jefferson stated that the fare package submitted to the Board of Supervisors was a balanced package, but the Board's action placed a disproportionate burden on seniors, youth and disabled. He said that the Commission needed to find a way to accommodate this segment of the community.

Commissioner Makras moved to hold a public hearing on senior, youth and disabled fares. Commissioner Jefferson seconded. The motion passed unanimously. The date of September 14, 1993 at 4:00 P.M. was selected for the hearing.

Resolution No. 92-0243: Authorizing the General Manager of the Municipal Railway to execute a permit with Friends of the Cable Car Museum, Inc. to assume the curatorship and operate the souvenir concession of the Cable Car Museum commencing August 15, 1993.

Charles Zell, Director of the Pacific Coast Chapter of the Railway and Locomotive Historical Society, said that the Chapter had operated the museum for 19 years. He said that the Chapter expended \$180,000 for engineering to remodel the museum. The

estimate for the improvements was \$1.6 million, the same amount the Municipal Railway is seeking from grant funds. Last year, the Chapter lost \$24,000. He said that any other operator will be confronted with the same problems to which Muni was unresponsive. There is a need for cable car riders to be able to get off the cable car and tour the museum and have an assurance that they can reboard. Another issue is the lack of parking for tour buses. He mentioned poor lighting and inadequate electrical service were not corrected by Muni. He urged the Commission to examine the details of the contract.

Craig Arthur, Friends of the Cable Car Museum, referred to the term of the permit that allows termination with 60 days notice. He asked for deletion of that provision because he felt that it would hinder their efforts to raise money for capital improvements.

Commissioner Makras suggested changing the terms to six months termination without cause and 60 days termination with cause. Commissioner Jefferson moved to amend the provisions. Commissioner Makras seconded. The amendment passed unanimously.

On motion of Commissioner Jefferson, seconded by Commissioner Carson, the permit was approved by a unanimous vote.

THEREUPON, THE MEETING WAS ADJOURNED: 4:45 P.M.

Romaine A. Boldridge
Secretary

11
MINUTES

11
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
August 24, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Patricia A. Carson

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DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Energy Conservation

Engineering and Construction Management

Financial Management

Information Systems

Management Efficiency and Productivity

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:05 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

On motion of President Yu, seconded by Commissioner Carson, the Minutes of the Special Meeting on August 6, 1993 were approved.

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on August 10, 1993 were approved.

Tapes of the meetings are on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by President Yu the following resolution was adopted:

93-0248 GM Directing staff that any changes to the identity and look of the Municipal Railway must be approved by the Commission and that the Commission will seek to maintain a high degree of uniformity of design in its transportation facilities.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0249 BF Amending Rule 6, Sections D and E, and Rule 7, Sections A through D, Rules and Regulations, Public Utilities Commission Revolving Funds to adjust fund balances within the current total Revolving Fund Allocations and to revise authorized signatures list for the revolving fund bank accounts.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0250 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$75,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0251 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$113,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0252 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$19,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0253 BF Approving collection of charges for damages against the San Francisco Municipal Railway in the amount of \$11,091.50, and the Water Department in the amount of \$720.37, for the month of July 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0254 UEB Approving Contract Modification No. 2 to Municipal Railway Contract No. MR-894, Upper Market Street Transit Thoroughfare Project, Phase 3 - Duboce to Castro, increasing the contract amount by \$556,654.47; and extending contract completion time from 602 calendar days to 623 calendar days.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0255 UEB Accepting the work performed under Hetch Hetchy Water and Power Contract No. HH-829R, O-Shaughnessy Septic System Rehabilitation Phase II, as satisfactorily completed; assessing liquidated damages in the amount of \$4,950.00 for 11 days of avoidable delays; approving Credit Contract Modification No. 3 in the amount of \$5,919.45; authorizing an extension of time for unavoidable delays of 22 calendar days; and authorizing final payment in the amount of \$5,896.16 to the contractor, San Luis Construction.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0256 UEB Awarding Water Department Contract No. WD-2097, 8-Inch Ductile Iron Main Installation in Front Street between Jackson and Union Streets; Broadway between Davis and Front Streets; Davis Street between Broadway and Vallejo Streets; Vallejo Street between Davis and Front Streets, in the amount of \$216,600.00 to Uniacke Construction, Inc., as the lowest responsive bidder.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0257 UEB Awarding Water Department Contract No. WD-2138, 8-Inch Ductile Iron Main Installation in Bryant Street between 22nd and 24th Streets; York Street between 22nd and 26th Streets; and Hampshire Street between 22nd and 25th Streets, in the amount of \$449,000.00 to P&J Utility Co., as the lowest responsive bidder.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0258 UEB Rejecting the sole bid received for Water Department Contract No. WD-2147R, SFWD Fire Protection System, from Allied Fire Protection; approving the combination of the CDD fire detection upgrade and the fire detection and alarm system at 425 Mason Street, San Francisco, California into one contract under WD-2147R; and authorizing readvertisement of the contract.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0259 UEB Authorizing bid call for Water Department Contract No. WD-2159, Forest Hill Concrete Tank Interior Coating.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0260 HH Authorizing the Bureau of Energy Conservation to apply for, accept and expend \$50,000 of grant funds from the U.S. Department of Energy and the Urban Consortium Energy Task Force to support its energy management activities.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:

- 93-0261 MR Authorizing the Municipal Railway to modify the contract with Morrison Knudsen Corporation to rebuild three additional PCC streetcars at a cost of \$600,000 each plus \$470,000 for spare parts; increasing the contract amount by \$2,270,000, for a total contract amount not to exceed \$10,317,450; and extending the expiration date to purchase the remaining option vehicles to December 4, 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Jefferson, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0262 WD Approving a fund transfer of \$68,393 from Project 756 Stone Dam Watershed to Project 807 Watershed Management Plans; and authorizing the General Manager of the Water Department to amend the professional service agreement with EDAW, Inc. to perform Phase III of the Watershed Management Plans/Programs Environmental Impact Reports Project at a cost not to exceed \$628,000, thereby increasing the contract amount to \$1,708,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0263 WD Authorizing the General Manager of the Public Utilities Commission to execute a mutual aid agreement with other water agencies in State OES Region 2 to provide assistance to each other in times of emergency.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0264 HH Authorizing the General Manager of the Public Utilities Commission to negotiate and execute a five-year Memorandum of Understanding with the San Francisco Unified School District, the Department of Public Works Bureau of Environmental Regulation and Management (DPW/BERM), and the Chief Administrative Office Solid Waste Management Program (CAO/SWMP) to continue the implementation of a comprehensive water and energy conservation education program in San Francisco public schools, for an annual cost not to exceed \$30,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

On motion of Commissioner Hardeman, seconded by
Commissioner Jefferson, the following resolution was adopted:

- 93-0265 BF Authorizing the Assistant General Manager of Finance to extend the professional services contract with Smith Dawson Associates, Inc. to serve as PUC's liaison, advocate and advisor on federal transportation program matters, on a month-to-month basis for a period not to exceed 12 months expiring on June 30, 1994, at a rate of \$150 per hour, for a total contract amount not to exceed \$55,000.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson
 NO - Makras

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0266 BF Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation of \$2.050 million for Municipal Railway maintenance activities and \$1.9 million for platform salaries and benefits.

VOTE: AYES - Yu, Hardeman, Jefferson, Carson
 NO - Makras

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0267 BF Authorizing the Assistant General Manager of Finance to apply for, accept, and expend \$352,000 in Federal Enhancement Program capital assistance and \$48,000 from state, regional, and local match funds, for the 19th Avenue Passenger Platforms.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Carson

COMMUNICATIONS

President Yu directed staff to calendar the following matters at the next regularly scheduled Commission meeting:

- (1) Letter received from Commissioner Makras regarding the possibility of refinancing Water Department bonds.
- (2) Request from the California Pacific Medical Center for PUC to provide assistance in obtaining federal grant funds.

President Yu announced that a letter was received from Ed Yee regarding the painting of flags on utility polls in North Beach and Chinatown areas. She requested that this matter be discussed at a later time.

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS

Commissioner Makras requested that staff calendar for discussion the modification of the agreement with Cerenio Management Group, the Municipal Railway's paratransit broker. A \$40,000 modification agreement was approved by the Commission on July 27, 1993. Since that meeting, Commissioner Makras said that he reviewed the contract and believes that the Commission should reconsider this request for additional funds.

Commissioner Makras requested that staff calendar for discussion, Hetch Hetchy's request to rehabilitate the Old Moccasin Powerhouse. The Commission approved this project on July 27, 1993. Commissioner Makras said that he reviewed the scope of work that would be done and he believed that there are policy issues that the Commission needs to discuss before staff proceeds with the project. A meeting date was not set to discuss this matter.

Commissioner Makras mentioned that the City had hired Scott Shaw to oversee graffiti cleanup. He requested staff to calendar for the next PUC meeting a request to fund a graffiti cleanup program. Mr. Moran said that \$160,000 is being requested to fund a Vehicle Cleaning Program in the Supplemental Appropriation Request on today's calendar for Municipal Railway maintenance activities.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner Makras requested that staff calendar for Commission's action the issue of restructuring the claims functions of the Public Utilities Commission. Commissioner Makras requested an organizational and personnel restructuring of the Claims Division. President Yu referred the matter to the PUC Acting General Manager for reply before it is calendared for action.

Commissioner Hardeman spoke about tremendous bogus claims against New Jersey's transit system. He urged that staff be mindful that bogus claims could also be happening in the Municipal Railway.

Commissioner Hardeman thanked Mike Patterson, watershed keeper at Hetch Hetchy, for the tour of the Kirkwood powerhouse and the diversion tunnel beneath the O'Shaughnessy Dam.

GENERAL MANAGER'S REPORT

19th Avenue Project

Johnny Stein, Municipal Railway General Manager, reported that Muni staff had made service adjustments during construction on 19th Avenue. M Line passengers would be bused from the outer terminal to St. Francis Circle where they would transfer to light rail vehicles (LRVs). This will avoid congestion in the West Portal area. He said that flyers were going to be distributed to advise commuters of service adjustments and transfer privileges.

Richard Brandt, Manager of Utilities Engineering Bureau, discussed the status of the construction phase of the project. Staff is in the process of modifying rail lines and constructing new platforms at Winston and Holloway Streets. It is expected that this phase would be completed in the latter part of October 1993. Mr. Brandt stated that the project is on schedule. He said that Phase 2, which is in final design, consists of double crossovers, 19th Avenue and Junipero Serra re-railing, platform amenities and realignment. Staff is currently bidding a contract for the installation of crossovers, which would be followed by amenities, Junipero Serra realignment, and 19th and Junipero Serra re-railing, if funds are available.

Mr. Brandt stated that the project has a shortfall of \$1.5 million due to major changes, such as re-railing of 19th Avenue and Junipero Serra, additional work required for Crespi Drive relocation, and amenities. He said that on today's calendar staff is requesting \$400,000 to fund the design and construction of 19th Avenue platforms. Staff intends to calendar a request to address the remaining shortfall at the next Commission meeting.

Commissioners Yu, Hardeman and Makras raised questions with respect to who would be responsible for the costs of building and maintaining bus shelters on 19th Avenue. Mr. Brandt stated that San Francisco State University would assume responsibility for the maintenance of the bus shelter at Holloway. As to the shelter on Winston, the design and maintenance of the shelter are yet to be resolved. President Yu asked why the shelters cannot be included in the contract with Gannett Outdoor, Muni's transit shelter provider. Peter Straus, of the Transportation Planning Division, stated that the bus shelter on Winston is specially designed and that the standard shelter design was not adequate for the location. Also, Gannett Outdoor has fulfilled its obligation to build 1,000 shelters in San Francisco.

Hanna Silverman, from Muni Community Affairs, said that staff worked with the Art Commission and engaged a couple of San Francisco State University professors to help them with the design of the shelters. Staff also met with the 19th Avenue Citizens Advisory Committee regarding the design and the proposal to put advertising in the shelters. The Committee opposed the idea of advertising in the shelters.

Commissioner Hardeman expressed concern whether San Francisco State University would be able to fund the maintenance of the shelter.

Commissioners Yu and Hardeman pointed out that when the project was initially presented no issues were raised nor discussed relative to the design of the shelters until this meeting.

Commissioner Jefferson moved to adopt a resolution that the bus shelters on 19th Avenue be similar in design with shelters throughout the City. Angela Karikas, Deputy City Attorney, advised that the Commission cannot take action because the matter was calendared as a status report and that proper notification was not given. Commissioner Jefferson moved to make a finding that a need for Commission action arose after the calendar was published. Commissioner Makras seconded. The motion passed unanimously.

David Pilpel commented that the Commission oversees the project and should make decisions on matters related to the project and that the neighborhood committee does not have the power to veto an action of the Commission.

Robert Pender suggested that minutes of the neighborhood meetings be kept. He suggested putting roofs over the platforms on 19th Avenue.

Bob Planthold spoke supporting the direction given to staff regarding uniformity of bus shelters throughout the City.

Commissioner Jefferson moved to adopt a resolution directing staff to ensure uniformity of bus shelters throughout the City and that any deviation from the standard design should be brought for approval of the Commission. President Yu seconded. The motion passed unanimously. Commissioner Jefferson suggested that staff present to the Commission a design for the 19th Avenue shelter consistent with the adopted policy.

Andy Moran summarized the Commission's direction, as: that there would be no delegation of authority to neighborhood committees; any deviation from the standard design would require express approval of the Commission; all discussions on shelters should include an understanding that the Municipal Railway would not incur any obligation for the maintenance of these facilities; and if there are any cost changes, competitive with other capital projects, additional funds will not be recommended to the Commission.

PUBLIC COMMENTS:

David Pilpel commented about the shortage in street supervisors and missed runs. He also suggested inviting Gannett Fleming to the Commission meeting to talk about the advertising program. Mr. Pilpel asked why the public hearing to consider Municipal Railway service reductions was canceled. President Yu stated that the meeting was canceled at her direction due to funding issues which cannot be resolved for another two months.

Alice Fialkin urged the Commission to submit to the Transport Workers' Union Local 200, any proposal regarding changes to the Municipal Railway's claims function before it is calendared for action. Ms. Fialkin also urged the Commission to fill three vacant Transit Supervisor positions to improve street supervision.

Sue Hestor, of Bernal Heights, asked where tokens and passes could be purchased. She stated that there are no pass outlets on Cortland Street where she lives. On the 19th Avenue platforms, she suggested shifting the maintenance cost of the shelters to the Stonestown Shopping Center.

Mary Trammel, Ella Hill Hutch Community Center, inquired whether all contracts awarded by PUC have affirmative action goals. She was referred to the PUC Contract Compliance unit for information.

PUBLIC HEARING

Resolution No. 93-0249: Amending Rule 6, Sections D and E, and Rule 7, Sections A through D, Rules and Regulations, Public Utilities Commission Revolving Funds to adjust fund balances within the current total Revolving Fund Allocations.

David Pilpel expressed support for the amendment.

Commissioner Hardeman moved and President Yu seconded to adopt the resolution. The motion passed unanimously.

Resolution No. 93-0261: Authorizing the Municipal Railway to modify the contract with Morrison Knudsen Corporation to rebuild three additional PCC streetcars at a cost of \$600,000 each plus \$470,000 for spare parts; increasing the contract amount by \$2,270,000, for a total contract amount not to exceed \$10,317,450.

Commissioner Makras suggested that staff explore other means to fund the last four street cars.

Commissioner Makras moved and President Yu seconded to adopt the resolution. The motion passed unanimously.

Resolution No. 93-0263: Authorizing the General Manager of the Public Utilities Commission to execute a mutual aid agreement with other water agencies in State OES Region 2.

Mr. Moran suggested including Hetch Hetchy as one of the participating agencies in the mutual aid agreement. President Yu moved to amend the resolution. Commissioner Carson seconded. The motion passed unanimously.

President Yu moved to adopt the amended resolution. Commissioner Jefferson seconded. The motion passed unanimously.

Resolution No. 93-0265: Authorizing the Assistant General Manager of Finance to extend the professional services contract with Smith Dawson Associates, Inc. to serve as PUC's liaison, advocate and advisor on federal transportation program matters.

Commissioner Makras expressed concern that the contract has been running with Smith Dawson Associates for some time and that staff should consider rebidding it. Mr. Moran responded that Smith Dawson Associates is very qualified and effective as PUC's liaison. He stated that he may consider rebidding the contract when administrative changes occur in the federal government.

Commissioner Hardeman moved to adopt the resolution. Commissioner Jefferson seconded. Commissioner Makras voted no. The motion passed 4-1.

Resolution No. 93-0266: Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation of \$2.050 million for Municipal Railway maintenance activities and \$1.9 million for platform salaries and benefits.

Jano Oscherwitz, Local 790, urged the Commission to reinstate the 34 car cleaners who were laid off in March 1993.

Bob Planthold, Muni Accessibility Advisory Group, expressed support of the request for a supplemental appropriation to fund maintenance work at the Municipal Railway.

Commissioner Makras urged the Commission to increase the number of car cleaners requested in the allocation. President Yu stated that getting Muni vehicles on the street has higher priority than keeping the buses clean.

Michelle Witt, Finance Director, explained that the Mayor's Office agreed with the proposed allocation of \$2.0 million for maintenance but had not commented on the \$1.9 million for platform salaries and benefits.

Commissioner Hardeman moved to adopt the resolution. President Yu seconded. Commissioner Makras voted no. The motion passed 4-1.

Item No. (18): Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation of \$100,000 to fund a professional services contract to update the costs, statistics, methodologies and boundaries associated with a Core Area Transit Maintenance District.

David Pilpel expressed support for the resolution.

Sue Hestor urged the Commission to proceed with the project. She stated that the business community that benefits from the transit system should start sharing the costs.

Commissioner Makras urged the Commission to disapprove this project because it is anti business and unrealistic. He said that targeting just the business community means basically taxing them. It would also cause them to move out of San Francisco.

President Yu expressed concern about equity among community groups. It was her opinion that the proposal was not fair and was counter productive. She commented that she would support a proposal that would charge vehicle owners a certain amount which would be incorporated with vehicle registration fees.

Commissioner Hardeman stated that the core area maintenance district was a discriminatory tax and that he would not support it.

Commissioner Jefferson stated that the Commission is obligated to find longer term revenue sources for the Municipal Railway and so far, this proposal is the only tangible source presented to the Commission.

June Gutfleisch, Supervisor Sue Bierman's aide, urged the Public Utilities Commission to approve the request for funding to conduct an updated study of the Core Area Transit Maintenance District.

President Yu moved to continue this item to the next meeting. Commissioner Hardeman seconded. The motion passed unanimously.

Resolution No. 93-0267: Authorizing the Assistant General Manager of Finance to apply for, accept, and expend \$352,000 in Federal Enhancement Program capital assistance and \$48,000 from state, regional, and local match funds, for the 19th Avenue Passenger Platforms.

David Pilpel expressed support for the grant application.

President Yu moved to adopt the resolution. Commissioner Hardeman seconded. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 5:10 P.M.

Romaine A. Boldridge
Secretary

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Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
September 14, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:10 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Morton Miller

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on August 24, 1993 were approved.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0268 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$180,495.62.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0269 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Water Department totaling \$55,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0270 GM Requesting the Board of Supervisors' approval to contract uniformed security guard services for the Public Utilities Commission for 1993-94.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

NO - Makras

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0271 HH Authorizing the General Manager of Public Utilities to execute the Fourth Amendment to the agreement with Murray, Burns and Kienlen, Inc. for professional engineering services, to increase funding by \$15,000, for a total contract amount not to exceed \$151,500.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0272 UEB Authorizing the Manager of the Utilities Engineering Bureau to execute Amendment No. 3 to the agreement with Corrosion Engineering and Research Co. (CERCO), for professional services regarding cathodic protection studies and corrosion control and monitoring programs, extending the contract term from September 30, 1993 to June 30, 1995.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0273 UEB Accepting the work performed under Water Department Contract No. WD-2140, Bay Division Pipeline No. 4, Backfilling of Pipeline and Miscellaneous Repairs, as satisfactorily completed; approving Contract Modification No. 1 for credit in the amount of \$404.91 and time extension of three (3) calendar days; and authorizing final payment in the amount of \$6,033.32 to the contractor, A. Ruiz Construction Co. & Associates, Inc.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0274 HH Requesting that the Board of Supervisors approve the membership of Hetch Hetchy Water and Power in the Western Urban Water Coalition, American Society of Mechanical Engineers, Institute of Electrical and Electronics Engineers, and the American Society of Civil Engineers and that the Administrative Code Section 16.6-5 be modified to reflect these memberships.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0275 PT Approving all Non-Civil Service and temporary appointments and removals made by the General Manager for the month of July 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0276 WD Indicating the Public Utilities Commission support and approval of the Water Department's participation in a City-wide lease financing program to acquire an 800-mhz Trunking Radio Communications System or other equivalent system with an estimated cost to the Water Department of \$998,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

- 93-0277 WD Authorizing termination of lease agreement with Space Systems/Loral, Inc., as lessee, for a 50± acre portion of Water Department watershed land located at the southerly end of Calaveras Reservoir in Santa Clara County.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0278 UEB Awarding Municipal Railway Contract No. MR-1107, Station Agent Booth Improvements, to Cresci Electric Inc., in the amount of \$182,991.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

- 93-0279 UEB Approving incorporation of the Calaveras Tower Ventilation System in the Water Department Contract WD-2130R, Ventilation of Adit Structures; rescinding contract award from Eslinger and Son Construction Co., Inc.; and authorizing readvertisement of the contract.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Makras, the following resolution was adopted:

- 93-0280 BF Authorizing the General Manager of Public Utilities to proceed with the issuance of not to exceed \$90,000,000 of San Francisco Water Department Revenue Bonds, 1993 Refunding Series A, for the purpose of refunding the Series of 1991 Bonds.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0281 BF Authorizing the General Manager to negotiate and enter into a cost reimbursement agreement with California Pacific Medical Center in which Public Utilities Commission staff will assist with acquiring Federal Transit Administration grant funds.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Makras, the following resolution was adopted in Executive Session:

93-0282 MR Approving settlement of litigation in the case of White-Mazur v. Municipal Railway, United States District Court No. 92-4255.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted in Executive Session:

93-0283 MR Approving settlement of litigation in the case of Robert Drapeau v. CCSF, Superior Court No. 945-048.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted in Executive Session:

93-0284 Directing the General Manager of Public Utilities to pursue legislative relief concerning aspects of the American Disability Act accommodation through our elected State and Federal legislators and lobbyists.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

ANNOUNCEMENT

President Yu welcomed the newly appointed Commissioner, Morton Miller.

COMMUNICATIONS

Core Area Transit Maintenance District

President Yu announced that the calendar item regarding the Core Area Transit Assessment District would be continued as requested by Supervisor Sue Bierman. President Yu directed staff to calendar this item on a date to be set by the Public Utilities General Manager upon request of Supervisor Bierman. Commissioner Makras suggested that staff furnish the Supervisor copies of all communications received by the Commission on this matter.

Transport Workers Union Memorandum of Understanding (MOU)

President Yu requested the City Attorney to advise the Commission in writing as to the Commission's authority to act concerning certain provisions of the Memorandum of Understanding (MOU). Commissioner Makras suggested that the City Attorney's report include background information on the negotiations, scope of discussion, and whether the Commission has the latitude to accept, reject and amend relative to this MOU.

James Lazarus, Deputy Mayor, urged the Commission to support the Memorandum of Understanding negotiated between the Mayor's Office and the Transport Workers Union (TWU) to freeze wage increases for transit operators for Fiscal Year 1993-94. Mr. Lazarus stated that the provisions of the agreement include conditions such as: the Mayor agreed not to submit a charter amendment that would alter the terms and conditions of employment for TWU members during fiscal year 1993-94; the savings from the wage freeze concessions would remain within the Municipal Railway; vacant transit operator positions would be filled; the Mayor would seek approval of the Civil Service Commission to extend the life of part-time operator List E-133; the Mayor would not propose privatization of any lines of Muni operations during fiscal year 1993-94; and, any Mayor's Fiscal Advisory Committee (MFAC) or audit findings dealing with the current MOU would be reviewed with TWU prior to public release.

Larry Martin, International Representative, Transport Workers Union, stated that the Transport Workers Union made every effort to deal with the financial conditions of the City and for that reason they agreed to the proposed changes.

Commissioner Makras stated that he believed that the Commission should look at the entire MOU and make appropriate recommendations that could benefit the City.

Commissioner Hardeman stated that the City had not met the requirements of the MOU agreement regarding the number of transit operators. He said that TWU made a major concession that if the MOU is signed, TWU will not pursue any grievance or arbitration with respect to the reduction of operators.

David Pilpel spoke in favor of getting the City Attorney's opinion regarding the Commission's jurisdiction over the Memorandum of Understanding. He suggested to include in that report any policy and financial ramifications in the MOU.

Commissioner Hardeman complimented the Mayor's Office, the Public Utilities General Manager and the Transport Workers Union for their efforts in the negotiation process.

President Yu directed that this item be continued to a special meeting on Friday, September 17, 1993 at 4:00 p.m.

Other Communications

President Yu noted that a letter was received from the Mayor's Office requesting that the Commission hold a public hearing on articulated buses on Chestnut Street. She directed staff to calendar this item on October 12, 1993.

President Yu stated that U.S. Representative Nancy Pelosi held a press conference regarding the Waterfront Projects and the Muni Metro Turnback Project. The Municipal Railway and the Utilities Engineering Bureau were not represented in this event. Mayor Frank Jordan wrote to President Yu apologizing for that omission and indicating recognition for staff's contribution to these projects. President Yu stated that there would be a ground breaking ceremony with PUC and UEB for the Muni Metro Turnback Project in the future.

Commissioner Makras requested staff to reply to a letter sent by Dolores Glass on September 9, 1993 about a Muni incident.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

Commissioner Jefferson suggested sending a thank you letter to the American Public Transit Association (APTA) for choosing San Francisco as the site for APTA's Civil Rights and Human Resources Seminar.

Commissioner Jefferson requested the General Manager of Public Utilities to prepare a report listing the claims paid by the City where Muni drivers were found liable, the amount of claim settlements, and what type of disciplinary action was taken.

REPORT OF THE GENERAL MANAGER

Anson B. Moran, General Manager of Public Utilities, announced that Annette Williams, Manager of Municipal Railway Accessible Services Program, was among the ten women who were recognized by the Commission on the Status of Women in a recognition ceremony.

Mr. Moran reported that staff was proceeding toward implementation of the rent increase for Hetch Hetchy and Water Department housing facilities on October 11, 1993. He stated that staff met and conferred with Local 790 representatives and have reached impasse on this issue. The underlying dispute was the authority the Commission has to take its prior action.

Mr. Moran announced that he would be out of state from September 25 through October 3, 1993.

Gordon Smith of the Municipal Railway Community Affairs Division, discussed the status of marketing the one week and one day passes. He stated that staff is expanding the current network of 225 vendors and would need an additional 30 vendors in targeted areas.

Commissioner Makras inquired about the costs of implementing the one week and one day passes. Mr. Moran responded that the production and distribution cost for a one day pass would be \$0.22 (\$0.07 for printing and \$0.15 vendor commission). Commissioner Makras stated that it was illogical to implement the day pass knowing that the Municipal Railway would not make money from it. He asked what the revenue enhancement would be in implementing the day passes. Mr. Moran explained that it is difficult to project revenues because rider behavior is still unknown until the day pass goes into effect on October 1st.

PUBLIC COMMENT

David Pilpel suggested that staff advise the Board of Supervisors' Housing Committee of PUC's plan to hold a public hearing on the articulated trolleys on Chestnut Street. He suggested that the Commission review the transfer policy; hold a public hearing on transit shelters; revise the resolution regarding copy fees; and review fare agreements with regional transit agencies for consistency with the Municipal Railway fare increase.

James Bryant, Local 790 representative, stated that Local 790 would like to proceed with the process of mediation before rental fees for Hetch Hetchy and Water Department housing facilities are raised.

Deetje Boler requested removal of Contravision advertising on Muni buses. She stated that passengers could not see out the windows and they miss their stops.

Howard Strassner of the Sierra Club stated that the process of implementing the day pass should have been started earlier.

Tom Grubb requested that the Commission reconsider the fare for express buses and remove the \$0.25 premium charge.

Item No. (9): To receive public comments on Muni projects for which financial assistance is being sought under the Federal Transit Act of 1991: purchase of replacement trolley coaches, purchase replacement light rail vehicles, and construct the Muni Metro Turnback.

David Pilpel questioned the incremental operating costs related to the acquisition of these vehicles and how those costs are going to be funded. Michelle Witt, Finance Director, explained that the Transportation Authority agreed to pay for the incremental operating cost of the trolley buses. Ms. Witt stated that the replacement light rail vehicles would not cost too much to operate. The Muni Metro Turnback project would not incur any incremental operating cost until the project comes on line.

Resolution No. 93-0270: Requesting the Board of Supervisors' approval to contract uniformed security guard services for the Public Utilities Commission.

Commissioner Makras questioned the job performance of the existing security services contractor. He stated that this is an opportune time for the Commission to improve security services if their performance is not satisfactory. Mr. Moran explained that the contract was awarded a year ago for a term of two years. This resolution was submitted by staff to request authorization to renew the certification in compliance with "Prop J" rules that it is cheaper to hire contractors than having City employees do the job.

James Bryant, Local 790 representative, commented that the Commission should look into hiring City employees who were recently laid off.

David Pilpel inquired about the level of security services and whether revenues and facilities operations are covered.

President Yu moved and Commissioner Hardeman seconded to adopt the resolution. Commissioner Makras voted no.

Item No. (12): Discussion of the Municipal Railway Short Range Transit Plan and Capital Improvement Program.

David Pilpel inquired about the Municipal Railway's projected revenues shown in the financial plan, where it indicated a deficit of \$10 million next year to \$76 million in nine years. Michelle Witt explained that these projections were based on flat general fund subsidies and state and federal revenues. She stated that the Municipal Railway would need to look into revenue enhancement sources such as the vehicle registration fees and

transit assessment district.

Commissioner Jefferson suggested that staff analyze different proposals that would address the projected shortfall in the Municipal Railway's budget.

President Yu suggested that the Commission hold a workshop to address the shortfall issue.

This matter was continued to the next regularly scheduled meeting on September 28, 1993.

Resolution No. 93-0278: Awarding Municipal Railway Contract No. MR-1107, Station Agent Booth Improvements, to Cresci Electric Inc.

Anson B. Moran, Public Utilities General Manager, stated that the three bidders for this contract were all minorities. Commissioner Jefferson expressed his appreciation to the Utilities Engineering Bureau for taking the lead in hiring minority groups.

James Bryant, Local 790 representative, thanked the Public Utilities Commission, staff, and Transport Workers Union officials for pursuing the station agent booth improvements.

Commissioner Jefferson moved to adopt the resolution. President Yu seconded. The motion passed unanimously.

Resolution No. 93-0280: Authorizing the General Manager of Public Utilities to proceed with the issuance of not to exceed \$90,000,000 of San Francisco Water Department Revenue Bonds, 1993 Refunding Series A, for the purpose of refunding the Series of 1991 Bonds.

The Water Department issued \$70 million revenue bonds in 1991 for the replacement and repair of existing water facilities. Michelle Witt stated that the City could save \$3-\$4 million if these bonds were refunded in the current low bond market. She said that at this meeting, staff is requesting the Commission's approval to authorize the Public Utilities General Manager to proceed with reissuance of Water Department's bonds. Ms. Witt noted that certain matters such as reissuance cost, timing, and bonds funding structure have to be considered before refunding. Staff has to consider the cost versus savings in refunding. Ms. Witt said that a financial advisor would be needed to provide advice to staff on whether the funding structure should proceed by negotiated sale or competitive sale.

Ms. Witt stated that the timing issue was dependent upon staff's ability to submit current financial statements. The financial statements would not be available until late October or November. Another concern is the time required to issue a Request for Proposal (RFP) which normally takes about six weeks. Ms. Witt said that staff could reconvene the underwriters from the 1991 bond issuance and not issue an RFP.

Commissioner Makras suggested that staff consider the timing concern and proceed with the negotiated sale structure. He stated that issuing a Request for Proposal would delay the process. He suggested that the General Manager of Public Utilities assemble a team to undertake the project and complete it by November 10, 1993.

President Yu stated that under the proposed resolution the General Manager of Public Utilities will have the latitude to determine which type of sale is more desirable. She directed the General Manager to make this a priority and to advise the Commission as to any problems that may arise.

President Yu made a motion to adopt the resolution. Commissioner Makras seconded. The motion passed unanimously.

The meeting recessed at 3:50 p.m.

The meeting reconvened at 4:20 p.m. in the Board of Supervisors Chambers.

Item No. (20): To consider modifications to Municipal Railway Discount Fares for Senior Citizens, Youth and Disabled Persons.

The following individuals were opposed to raising the fares for Senior, Youth and Disabled: Jewel McGinniss, Barbara Elias-Baker, Paratransit Coordinating Council; Lisa C. Salieri; Jeanne Lynch, Lee Brown, Geraldine G. Earp, Mary Saylor, Gardiana Leduna, Senior Action Network; Bob Planthold; Phillip Seronick; Eve Del Castello; Michelle Bravo-Timboy; Deetje Boler, Mary Frances Smith, Aroza Simpson, Gray Panthers; Bruce Oka; Erma Brown, SFDD Council; Nancy College, Jack Gelman, Menora Park Housing; Michael Stevens, Mercy Terrace Apartments; Jillian Tallmer; Romeo L'Hevreux; Ethel D.B. Webster; Rose Simpson; Chris (last name unknown); and Bill Price.

Robert Wondere commented that the senior fare should be at least half of the regular adult fare.

Commissioner Makras questioned whether there is an adequate vendor network in place for the October 1, 1993 implementation date of day passes and week passes. He expressed his opinion that implementing a day pass system has no economic advantage to the Municipal Railway. It will cost a total of \$0.22 for a day pass to be printed and distributed. Printing of a day pass would cost \$0.07 and vendors would be paid \$0.15 for each pass they sell. If a day pass is sold for \$2.25, the Municipal Railway would only be getting \$0.03 in additional revenue from it.

Commissioner Makras noted that the Mayor's Office is asking for a contingency plan if the vendor system fails. He suggested that staff explore other alternatives such as: implementing a one-way transfer or one-hour transfer system; establishing peak-hours for seniors; and instituting the proof of payment system.

Commissioner Makras made a motion to roll back the fares, reinstate the transfer system, establish a one-way, one-hour transfer system, and reinstate the 3-day grace period on the monthly pass.

George Krueger, Utilities General Counsel, advised that the item calendared for today's meeting was to consider modifications to the discount fares and that proper notice was not given with regard to Commissioner Makras' motion on the transfer system and the 3-day grace period.

Commissioner Jefferson noted that staff submitted a fare increase proposal to the Board of Supervisors. However the Board rejected staff's proposal and directed the Commission to eliminate the transfer system and replace it with a day pass program. Staff followed this direction in the context of trying to have the budget approved by the Board. He stated that in fairness to seniors, who are not the primary users of the transportation system, the Commission should roll back the discount fares. Commissioner Jefferson seconded the motion.

Commissioner Hardeman presented a letter received from the Mayor which Romaine Boldridge, Commission Secretary, read for public information. The Mayor directed in his letter that the Commission prepare a contingency plan if the day pass fails.

President Yu explained that the transfers were eliminated to encourage transit users to buy the fast pass and to deal with security issues. She stated that the Commission should deal with the discount fares separate from the transfer issue.

On the question, Commissioners Yu, Hardeman, and Miller voted no. The motion failed.

Commissioner Makras made a motion to hold a public hearing on October 26, 1993 to consider the entire Muni fare package. The motion died for lack of a second.

Ray Simpson urged the Commission not to eliminate the transfer.

David Pilpel suggested scheduling a calendar item on September 28, 1993 to set a date to discuss the fare package and the transfer.

Bill Price urged the Commission to speed up action on these matters.

John Washington suggested establishing separate rules concerning discount fares and regular fares.

Commissioner Makras made a motion to establish a day pass for seniors. Commissioner Jefferson seconded. George Krueger, Utilities General Counsel, advised that this motion was not included in the calendar and was not part of staff's recommendation. Staff's analysis indicated a \$3.4 million reduction in revenues if the discount fares were rolled back to its previous rates prior to August 1, 1993. Commissioner Makras stated that it should be covered and treated as part of the fare package.

President Yu suggested that staff schedule an item to set a date to consider transfer and day pass issues at the special meeting on Friday, September 17, 1993.

ANNOUNCEMENT

President Yu announced that the Commission met in Executive Session immediately before this meeting and approved settlement in the cases of White-Mazur v. Municipal Railway, United States District Court No. 92-4255, and Robert Drapeau v. CCSF, Superior Court No. 945-048, and directed the General Manager of Public Utilities to pursue legislative relief concerning aspects of the American Disability Act accommodation through elected State and Federal legislators and lobbyists.

THEREUPON, THE MEETING WAS ADJOURNED: 6:20 p.m.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

**Frank M. Jordan
MAYOR**

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SPECIAL MEETING

**Room 282, City Hall
4:00 P.M.**

/// September 17, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

**Anson B. Moran
ACTING GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Call to Order: 4:05 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Morton Miller

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of President Yu, seconded by Commissioner Miller,
the following resolution was adopted:

93-0285 MR Authorizing the General Manager of Public Utilities to execute
the Memorandum of Agreement with the Transport Workers
Union of America, AFL-CIO and Transport Workers Union Local
250A as to Paragraph 3.

VOTE: AYES - Yu, Makras, Jefferson, Miller

NO - Hardeman

On motion of President Yu, seconded by Commissioner Makras,
the following resolution was adopted:

93-0286 MR Designating Tuesday, October 12, 1993 at 6:00 p.m. in Room 282,
City Hall, San Francisco, California as the date, time and place
for a public hearing to consider revisions to the entire Municipal
Railway fare structure.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

Resolution No. 93-0285: Authorizing the General Manager of Public Utilities to execute the Memorandum of Agreement with the Transport Workers Union of America, AFL-CIO and Transport Workers Union Local 250A as to Paragraph 3.

The Commission adjourned to an executive session at 4:10 p.m., in accordance with Government Code Section 54956.9(b) (1) and Charter Section 3.500 (f) (2).

At 5:15 p.m. the meeting was reconvened.

President Yu stated that the perimeters of the Commission's and the General Manager's prerogatives on this issue extends to Item 3 only.

David Pilpel stated that the Civil Service Commission had acted to approve the wage schedule for fiscal year 1993-94. He questioned the proposed action on the grounds that it would set aside the action already taken by the Civil Service Commission. He expressed the opinion that certain provisions of the agreement were unprecedented in City labor agreements and may violate funding eligibility requirements of the Federal Transportation Administration.

President Yu announced that the Commission met in executive session and was informed that the Commission's jurisdiction is limited to paragraph 3. She moved a substitute resolution that authorized the General Manager of Public Utilities to execute paragraph 3 of the agreement. Commissioner Miller seconded the motion. On the question, Commissioners Yu, Makras, Jefferson and Miller voted aye; Commissioner Hardeman voted no.

Commissioner Makras stated that while he voted in favor of item 3, he was opposed to items 4, 5 and 6 and did not feel it was in the best interest of the City to sign the agreement.

Resolution No. 93-0286: Designating Tuesday, October 12, 1993 at 6:00 p.m. in Room 282, City Hall, San Francisco, California as the date, time and place for a public hearing to consider revisions to the entire Municipal Railway fare structure.

Deetje Boler said that staff had stated previously that Safeway was being considered as a possible outlet for passes. She said that due to the boycott of Safeway by the United Farm Workers, some people may have difficulty using Safeway. She urged the Commission to postpone elimination of transfers and to reinstate the 3-day grace period for passes.

David Pilpel asked about the department's plans for October 1, 1993 regarding transfers. President Yu replied that the Board of Supervisors had taken action to eliminate transfers and that the Commission could not do anything to rescind that unless the Commission goes through the notice process mandated by the Charter as to how the Commission and the Board change fares.

Commissioner Makras asked if the Commission could pass a resolution urging the Board to reverse its transfer policy. George Krueger, Utilities General Counsel, replied that the Commission's fare package which was sent to the Board last April has already been acted upon by the Board and signed by the Mayor. To start a new fare process would require the notice provisions of the Charter. There is no authority in the Board of Supervisors to repeal its earlier action.

President Yu stated that there are not enough transfers in stock to reinstitute transfers on October 1, 1993. The contract for the printing of transfers has been cancelled. She said that staff has been looking at options but do not have a viable alternative now.

Mr. Moran stated that there is no legal fallback plan. Staff have been working to extend the vendor network so that people can buy Day Passes and Week Passes. People who telephone and say they are not being served by the network will be asked where in their neighborhood it would be convenient for them to buy passes. Staff will follow up and solicit their participation.

Johnny B. Stein, General Manager, Municipal Railway, said that the union had suggested 40 potential vendors.

Commissioner Jefferson asked if at the public hearing the Commission discusses the transfer as it relates to the adult base fare, does that automatically mean that the Commission has opened up the issue of the entire fare structure. Mr. Krueger replied that there must be notice to the public. If the notice states that the Commission will consider transfers then that is all that can be considered. Transfers are part of fares. If the Commission specifies that it just wants to consider transfers then that is all that can be acted upon.

President Yu moved that the substance of the fare hearing would be the entire fare package. Commissioner Makras seconded. The motion was passed by a unanimous vote.

President Yu moved to schedule the public hearing for October 12, 1993. Commissioner Makras seconded. The motion passed unanimously. Commissioner Hardeman moved to schedule the regular meeting for 4:00 p.m., with a special order of business for the public hearing at 6:00 p.m. President Yu seconded. The motion passed unanimously.

PUBLIC COMMENTS

David Pilpel suggested that the Commission consider a Charter Amendment to limit the Board of Supervisors power to either accepting or rejecting fare schedules proposed by the Commission.

Commissioner Makras asked what the Commission's liability would be if it instructed the General Manager of the Municipal Railway to keep issuing transfers. Mr. Krueger replied that it would be official misconduct because there is a Board of Supervisors resolution signed by the Mayor stating the City's official policy.

Deetje Boler suggested that staff make arrangements for discount riders to transfer on October 1, 1993.

THEREUPON, THE MEETING WAS ADJOURNED: 5:50 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.

September 28, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:15 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Patricia A. Carson

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the Minutes of the Special Meeting on September 17, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION

NO.

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0287	BF	Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$48,580.81.
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VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0288	BF	Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Water Department totaling \$54,512.00.
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VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0289 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$142,508.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0290 MR Approving collection of charges against miscellaneous debtors of the Municipal Railway in the amount of \$14,175.23 for the month of August 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0291 HH Authorizing the General Manager of Public Utilities to execute the Fifth Amendment to the agreement with Bookman-Edmonston, for engineering services, increasing the contract amount by \$85,000 for a total contract amount not to exceed \$824,500; and extending the term of the agreement to August 31, 1994.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0292 WD Authorizing the San Francisco Water Department to enter into a Software License Agreement with Stoner Associates, Inc., for the use of their proprietary computer software package, in connection with the acquisition of a real time-interactive computer modeling system.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0293 UEB Approving the transfer of \$590,000 from FAMIS Project 710-01 Millbrae Headquarters Improve Maintenance Area, apportioning \$60,000 to Project W779.3 Corrugated Metal Building Demolition and \$530,000 to Project 779.4 Millbrae SCADA/WSD Annex Building, to fund the development of construction contract documents for both projects.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0294 UEB Accepting the work performed under San Francisco Water Department Contract No. WD-2129R, 12-inch Ductile Iron Main Installation in Johnstone Drive and Medical Center Road and Clarendon Avenue as satisfactorily completed; approving Credit Contract Modification No. 1 in the amount of \$4,755.00; authorizing an extension of time for unavoidable delays of twenty-seven (27) working days; authorizing final payment in the amount of \$13,002.00 to the contractor, Uniacke Construction, Inc.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0295 UEB Rejecting all bids submitted for Hetch Hetchy Water and Power Contract No. HH-833R, Trolley Replacement Project; approving the revised plans and specifications; and authorizing rebidding of the contract.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by
Commissioner Jefferson, the following resolution was adopted:

93-0296 MR Adopting the San Francisco Municipal Railway Short Range
Transit Plan and Capital Improvement Program 1993-2002.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller
 NO - Makras

On motion of President Yu, seconded by Commissioner Miller,
the following resolution was adopted:

93-0297 MR Requesting the Board of Supervisors' approval to contract for
the provision of paratransit services for Fiscal Year 1993-94.

VOTE: AYES - Yu, Hardeman, Makras, Miller
 ABSENT - Jefferson

On motion of Commissioner Hardeman, seconded by
Commissioner Makras, the following resolution was adopted:

93-0298 MR Allowing members of the Armed Forces in uniform to ride
Municipal Railway vehicles without payment of fares during
Navy Fleet Week, October 9 through October 13, 1993; and
providing supplemental service on Line 32-Embarcadero for
various Fleet Week activities.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by
Commissioner Jefferson, the following resolution was adopted:

93-0299 WD Authorizing the General Manager of the Water Department to
solicit Request for Qualifications (RFQ) for professional
engineering services to secure a water supply permit from the
State Department of Health Services.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by
Commissioner Makras, the following resolution was adopted:

93-0300 BF Authorizing the General Manager of Public Utilities to negotiate with the San Mateo County Transit District for the acquisition of up to 59 standard 1980 Flyer motor coaches; authorizing an application to San Francisco Municipal Railway Improvement Corporation (SFMRIC) and amending the 1993-94 San Francisco County Transportation Authority (SFCTA) grant application to request approximately \$942,000 to fund the replacement of a portion of the Municipal Railway diesel fleet.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0301 BF Authorizing the Assistant General Manager of Finance to apply for, accept, and expend \$6,029,520 from 1994-95 State Transit Capital Improvement funds and \$6,029,520 from regional and local matching fund sources to fund the following Municipal Railway projects: Trolley Coach Replacement, Rail Maintenance Vehicles, 14-Mission Trolley Overhead Reconstruction, Trolley Reconstruction-Various Locations, Metro Accessibility, Cable Car Renovation, Escalator/Elevator Rehabilitation, Historic Streetcar Renovation, and LRV Modifications.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by
Commissioner Hardeman, the following resolution was adopted
in Executive Session:

93-0302 BF Rejecting settlement of claim in the case of David Goldman v. City and County of San Francisco, Superior Court No. 946-270.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson
 NO - Miller

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

Commissioner Hardeman reported that he met with Commission President Kay K. Yu, Anson B. Moran, Public Utilities General Manager, Johnny Stein, Municipal Railway General Manager, and Municipal Railway staff regarding problems with Muni fares and transfers.

President Yu announced that the Municipal Railway would be embarking on a prepaid boarding system on October 1, 1993. She complimented staff for a job well done.

REPORT OF THE GENERAL MANAGER

Johnny B. Stein was acting General Manager of Public Utilities in the absence of Anson B. Moran.

President Yu presented the new Day Pass and explained how to use it. She stated that there were 115 vendors who would be selling the day pass; and that staff was still working to expand the vendor network.

Gordon Smith of the Municipal Railway Community Affairs Division, presented a map showing the locations of Day and Weekly Pass vendors. He stated that a vendor network hotline (673-1961) would be operational starting Thursday, September 30, 1993. A list of token and Day and Weekly Pass vendors would be distributed on the same day. The vendor list would also be advertised in major newspapers.

Mr. Stein stated that specific instructions were given to operators concerning changes in Muni fares. Operators were directed to inform passengers that transfers would be eliminated on October 1, 1993.

Commissioner Makras inquired why half of the current vendor network did not sign up to sell the Day Pass. Mr. Smith responded that vendors were hesitant to sell the Day Pass because the sales commission is low and there had been indications from the press that the program may not continue.

Commissioner Jefferson suggested sending a letter to the Mayor to urge the Board of Supervisors to share their ideas with the Public Utilities Commission on matters concerning the Municipal Railway's fare structure.

PUBLIC COMMENTS:

Lucille Palmer commented that there were contractors who have been awarded contracts by the Public Utilities Commission that did not hire apprentice workers. She urged that the Commission strictly enforce the apprenticeship requirements of its contracts.

Commissioner Jefferson asked whether the City could legally suspend a contractor who had consistently violated the law relative to hiring apprentice workers. Angela Karikas, Deputy City Attorney, replied that there was a disqualifying procedure in the Administrative Code.

Commissioner Jefferson suggested that staff enforce stricter compliance rules and if necessary, suspend doing business with a contractor who does not comply with the program. Richard Brandt, Manager, Utilities Engineering Bureau, stated that staff had been working with the City Attorney's Office and looking at withholding payment until the contractor can show evidence that they have paid into the State apprenticeship program.

Bob Planthold said that day passes should be provided to senior citizens.

Phillip Seronick suggested eliminating transfers for everybody and lowering the discount fares.

Dave Spero urged the Commission to reinstate the MUNI transfer program.

James Bryant, Local 790 representative, stated that their union should be informed of any meetings related to issues involving station agents. He also spoke about concerns from senior citizens regarding the senior fares.

Norman Rolfe suggested that staff explore the use of on board machine-issued transfers that could be used as Day Passes.

David Pilpel suggested that the Commission conduct a hearing on the status of the bus shelter program. He stated that issues such as lack of lighting and phones in some bus shelters should be discussed with the advertising contractor. Commissioner Jefferson suggested that the General Manager of the Municipal Railway report on the status of the contractual obligation of Gannett Outdoor Advertising.

Mr. Pilpel stated that subway stations from Castro and outbound would not be serviced starting October 23, 1993 from 10:00 p.m. everyday. Mr. Stein stated that the Municipal Railway is installing a new signal system which would be completed in a year and one half. He said that alternative transportation would be provided to commuters between 10:00 p.m. and 5:00 a.m.. Commissioner Jefferson directed staff to inform the Commission of any significant change in service.

Mr. Pilpel suggested that staff report on the Municipal Railway's revenue experience for the month of August. President Yu directed staff to submit a financial assessment report that would include revenue expectations and a comparison of previous year's revenues.

Item No. 9(e): Authorizing the General Manager of Public Utilities to modify the contract with Williams, Adley and Company to perform third party audits and consulting services, by increasing the contract amount from \$460,000 to \$610,000.

Item No. 9(h): Awarding San Francisco Water Department Contract No. WD-2152, Crystal Springs Pipeline No. 2, Section 3, and Sunset Supply Line-Dielectric Isolation to M.C. Construction.

Items 9(e) and 9(h) were continued to the next regular Commission meeting on October 12, 1993.

Item No. 10: Reconsideration of the Municipal Railway fare public hearing date.

Johnny Stein, General Manager, Municipal Railway, stated that revenues from recent fare changes are tied to the Municipal Railway's budget and if the Commission decides to make any changes resulting in lost revenues, we need to come up with a supplementary source of income.

David Pilpel suggested keeping the date as previously scheduled since a notice was already published in the newspaper.

Bob Planthold stated that the 6:00 p.m. time of the meeting would not be convenient for senior citizens.

President Yu stated that the Commission would hold the public hearing on Municipal Railway fares on October 12, 1993 as previously scheduled. At this meeting, the Commission would discuss issues arising from the changes in Muni fares and hear public testimony.

Commissioner Jefferson requested that staff provide financial data on the fares since August 1, 1993 and an update on the status of the vendor network.

Resolution No 93-0296: Adopting the San Francisco Municipal Railway Short Range Transit Plan and Capital Improvement Program 1993-2002.

David Pilpel stated that the Commission should start early in addressing solutions to Muni's funding problems for the next 10 years.

Commissioner Makras commented that the transit plan suggested an unbalanced budget that would lead to doubling fares and service cuts within the next eight years. He stated that the financial plan is counter productive to the overall goals of the City to maintain a balanced budget.

Commissioner Jefferson suggested that staff analyze and recommend proposals to address the long term funding issues in the Municipal Railway.

Commissioner Hardeman moved to adopt the Municipal Railway Short Range Transit Plan. Commissioner Jefferson seconded. Commissioner Makras voted no. The motion passed 4-1.

Item No. 12: Authorizing the Municipal Railway to modify the route of Line 14X-Mission Express and Line 27-Bryant to accommodate street modifications proposed by the Department of Parking & Traffic on Fifth and Sixth Streets between Howard and Bryant Streets.

Peter Straus of the Municipal Railway's Transportation Planning Division, gave a brief presentation on the project. He stated that the route modification of Lines 14X-Mission Express and Line 27-Bryant was being proposed to accommodate the Department of Parking & Traffic's project to convert Fifth and Sixth Streets to one-way streets between Howard and Bryant Streets.

David Pilpel stated that he does not support a one-way street operation.

Bobbie Brown, President of the Transport Workers Union, Local 250A, stated that the Union had not been notified of the proposed route changes.

President Yu continued this item to October 12, 1993 to allow the Transport Workers Union an opportunity to meet with Muni staff on this issue.

Resolution No. 93-0298: Allowing members of the Armed Forces in uniform to ride Municipal Railway vehicles without payment of fares during Navy Fleet Week, October 9 through October 13, 1993; and providing supplemental service on Line 32-Embarcadero for various Fleet Week activities.

Bob Planthold expressed opposition to giving "free ride" privileges to the armed forces. He stated that it would create inequity since no other organizations are given the same privilege.

David Pilpel spoke in opposition to providing free fares to members of the Armed Forces.

Commissioner Hardeman moved to adopt the resolution; Commissioner Makras seconded. The motion passed unanimously.

Resolution No. 93-0300: Authorizing the General Manager of Public Utilities to negotiate with the San Mateo County Transit District (SAMTRANS) for the acquisition of up to 59 standard 1980 Flyer motor coaches.

Bob Planthold expressed his support for buying used coaches and having wheelchair accessible coaches on reserve.

David Pilpel inquired about the rationale for purchasing these vehicles. Johnny Stein, Municipal Railway General Manager, stated that all of Muni's reserve coaches are now used regularly on demand. The coaches that would be purchased from SAMTRANS would replace the reserve coaches.

Shelley E. Salieri expressed concern about buying buses that are past their useful life.

Bobbie Brown of the Transport Workers Union expressed his support of the resolution.

Resolution No. 93-0301: Authorizing the Assistant General Manager of Finance to apply for, accept, and expend \$6,029,520 from 1994-95 State Transit Capital Improvement funds and \$6,029,520 from regional and local matching fund sources to fund high priority projects in the Municipal Railway Capital Improvement Program.

David Pilpel, suggested that staff provide details regarding the incremental costs impact of these projects.

ANNOUNCEMENT:

President Yu announced that the Commission met in executive session before the regular meeting and rejected a settlement in the case of David Goldman v. City and County of San Francisco, Superior Court No. 946-270.

THEREUPON, THE MEETING WAS ADJOURNED: 4:05 P.M.

Romaine A. Boldridge
Secretary

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

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REGULAR MEETING

Room 282, City Hall
4:00 P.M.
October 12, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 4:00 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner James D. Jefferson, Commissioner Morton Miller

Excused: Commissioner Victor G. Makras

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on September 14, 1993 were approved.

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on September 28, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0303 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Water Department totaling \$82,500.00.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0304 UEB Awarding San Francisco Water Department Contract No. WD-2100, 8-Inch Ductile Iron Main Installation in Treat Avenue between 20th Street and 26th Street, in the amount of \$226,450.00 to E. Mitchell, Inc. as the lowest responsive bidder; and requesting the Board of Supervisors' approval to extend the time for award.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0305 UEB Authorizing bid call for San Francisco Water Department Contract No. WD-2151, 8-Inch Ductile Iron Main Installation in Sutter Street between Larkin and Webster Streets.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by Commissioner Miller, the following resolution was adopted:

93-0306 MR Authorizing the Municipal Railway to modify the route of Line 14X-Mission Express and Line 27-Bryant to accommodate street modifications proposed by the Department of Parking & Traffic on Fifth and Sixth Streets between Howard and Bryant Streets.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0307 WD Authorizing the Director of Property to prepare and submit the necessary legislation to the Board of Supervisors to quitclaim the Water Department's easement interest in the 1,095 foot portion of the City's 50-foot wide easement, formerly known as Pleasanton Wells Strip, Parcel 71, located in Pleasanton, California.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0308 UEB Authorizing the Utilities Engineering Bureau to request qualification statements, interview, select and recommend two environmental consultant firms to provide environmental consultant services on an "as-needed" basis at a cost not to exceed \$350,000 for Federally-funded projects and \$350,000 for City-funded projects.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the following resolution was adopted:

93-0309 BF Authorizing the Assistant General Manager of Finance, to apply for, accept, and expend \$51,545,356 of Proposition 108 and Proposition 116 Rail Bond Funds and an equal amount of local matching funds from regional and local matching fund sources for four Municipal Railway projects: Light Rail Vehicle Purchase; F-Market-Embarcadero Streetcar Line and PCC Streetcars; Electric Trolley Bus Purchase; and MUNI Metro Subway Signal System.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0310 BF Authorizing the Public Utilities Commission General Manager to modify the contract with Williams, Adley and Company to perform third party audits and consulting services on an "as-needed" basis by amending the existing rate schedule and increasing the contract amount from \$460,000 to \$670,000.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0311 BF Modifying the Schedule of Rates, Fares, and Charges of the Municipal Railway to add a Day Pass for senior and disabled patrons and a Special Group Rate for youth.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by Commissioner Miller, the following resolution was adopted in Executive Session:

93-0312 MR Approving settlement of claim in the case of Ruthie Green v. City and County of San Francisco, Superior Court No. 938-418.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

COMMUNICATIONS:

President Yu directed staff to respond to the letter of the Chinese Consolidated Benevolent Association regarding the Municipal Railway's Line 30-Stockton.

President Yu directed staff to provide a recommendation concerning changes on this line.

ANNOUNCEMENT:

President Yu announced that the Commission met in executive session immediately before the regular meeting and approved the settlement in the case of Ruthie Green v. City and County of San Francisco, Superior Court No. 938-418.

INTRODUCTION OF NEW BUSINESS:

Commissioner Hardeman suggested that the Commission consider canceling the regular meeting of December 28, 1993. Staff will prepare a resolution for action at the next Commission meeting.

President Yu reported that she attended the American Public Transit Association's (APTA) Conference in New Orleans. She also met with several farebox vendors, such as Cubic and GFI. She noted that the new fareboxes have technical capabilities that would meet the needs of the Municipal Railway.

President Yu directed staff to contact Cubic and GFI to obtain information concerning the capabilities of the fareboxes, their costs, and how they could work for the Municipal Railway. She directed staff to report their findings to the Commission in two months.

REPORT OF THE GENERAL MANAGER

Update on Implementation of Day Passes

Anson B. Moran, Public Utilities Acting General Manager, complimented staff for their tremendous effort in organizing the Day Pass Program.

Mr. Moran noted that the implementation of the Day Pass went smoothly and was well accepted by the public. He stated that there were currently 131 vendors selling the Day Pass. Staff distributed 41,000 day passes and 8,000 weekly passes but not all of them were sold. He said that fare revenue information since implementation of the day pass on October 1, 1993 was not yet available.

President Yu expressed her appreciation to staff, the operators and the press for their cooperative effort. She said that without their efforts, this project could not have materialized.

Update on the 19th Avenue Project and Proof of Payment

James Nelson, Municipal Railway Project Manager, gave a presentation on the status of the 19th Avenue Project. Mr. Nelson stated that a center loading platform was decided upon for this location to make boarding and alighting more convenient for passengers. He stated that ticket vending machines will be installed on the platforms which would vend fare tickets for adults, senior, disabled and youth. In the initial implementation, Municipal Railway personnel would be present to instruct passengers on their fare paying options. Mr. Nelson stated that standard bus shelters would also be in place next week.

Mr. Moran indicated that the 19th Avenue platform was designed with the presumption that passengers would have prepaid fares before boarding.

Sue Stropes, Municipal Railway's Transportation Planner, discussed the details concerning implementation of a Proof of Payment system at the 19th Avenue station. Ms. Stropes stated that the proof of payment system was designed as a security-enforced prepaid fare program by which inspectors on board Muni vehicles would check passengers for proof of prepaid fare. She stated that if an individual is unable to present a proof, he or she would be fined in the range of \$75 for the first citation.

Ms. Stropes pointed out that the enforcement issue has yet to be resolved. There are questions as to which department has responsibility for enforcement, and whether peace officers should be hired. Another issue that Ms. Stropes pointed out is that the law that would permit issuance of citations does not exist at this time.

Commissioner Jefferson inquired about the source of funding to enforce the program. Ms. Stropes stated that staff expect to fund it through revenues generated from citations and salary savings. Salary savings would result from not assigning operators in the second or third car of a LRV train.

Commissioner Miller expressed concern about the issuance of citations to offenders and not having a proper means of identifying him or her.

President Yu stated that the Commission would need to resolve the issues raised such as the cost of hiring law enforcement officers, citation laws, and identification of law breakers before it could consider the Proof of Payment system.

PUBLIC COMMENTS:

Norman Rolfe urged the Commissioners to reinstate the Municipal Railway transfer program.

David Pilpel inquired about the impact of the recent Muni fare changes on Muni ridership. He suggested that staff institute an educational campaign concerning the Proof of Payment system.

Bob Planthold suggested placing accessible equipment on the J&M Layover terminals and on buses serving the Municipal Railway 30-Stockton line.

Bobbie Brown, President, Transport Workers Union, Local 250A, expressed opposition to implementing a Proof of Payment Program at the 19th Avenue stations. He stated that it would result in a lot of free rides.

President Yu directed staff to schedule the proof of payment program for discussion at a future Commission meeting.

Commissioner Jefferson commented that to institute an honor system in one area and hire enforcement officers in another area is not equitable.

James Bryant, Local 790 representative, suggested using transit police officers to enforce the Proof of Payment system. He requested that staff advise Local 790 of any discussions regarding Proof of Payment.

Alice Fialkin, Transport Workers Union, Local 200, requested that Local 200 be informed of future discussions on this issue.

Shelley Salieri commented that the Municipal Railway would need fare gates to collect fares at the Holloway terminal.

The meeting recessed at 5:25 p.m.

At 6:00 p.m. the meeting was reconvened.

Public Hearing

Resolution No. 93-0311: Modifying the Schedule of Rates, Fares, and Charges of the Municipal Railway to add a Day Pass for senior and disabled patrons and a Special Group Rate for youth.

The following individuals spoke and urged the Commission to reinstate the Municipal Railway transfer program and the 3-day grace period for the monthly pass, to approve the Transit Maintenance Assessment District and to improve its service.

Shelley E. Salieri
David Pilpel
Norman Rolfe
Phillip Seronick
Barbara Elias-Baker, Senior Action Network
Ellen Murray
M.H. Stevens, Mercy Terrace Apartments
Aroza Simpson, Gray Panthers
Deetje Boler, Gray Panthers
Agnes Batteiger, Gray Panthers
Willie Jamerson
Erma Brim, S.F. DDC
Paul W. Lovinger
Nevile Stocken, We the People, SFBC
Patty Cachapero
Bill Price, Senior Action Network
Eve Del Castello
Carol Tracy, We The People, SF
Leonore Fifer
Guillermo D. Chavez
Dwight Benina
C.S. Gordon, Maria Manor Tenants Association
Lili Osborne
Pat Lamkin
Flora Caragay
Felch Murphy
Michael Lument
Giorgio, City College student
Kelly Newman, We the People
Cynthia Rapala
Anne Horton
Herbert Weiner
Vikie Choy
Robert Pender, Park Merced and F.O.R.U.M.

Commissioner Jefferson explained that the Public Utilities Commission recommended raising the fares because the funds allocated by the Mayor and the Board of Supervisors were not sufficient to continue to run the Municipal Railway. He said that service reduction was another option but was ruled out because the public favored a fare increase over service cuts. He pointed out that he did not support the fare increase.

Commissioner Jefferson stated that the Board of Supervisors recommended eliminating the transfers to enhance revenues for the Municipal Railway. He stated that the Commission has no authority to change the Board of Supervisors' action.

President Yu made a motion to adopt a resolution approving a day pass for seniors and the disabled, for \$0.60 a pass, that would be purchased at the time of boarding upon presenting proper identification to the driver. Commissioner Jefferson seconded. The motion passed unanimously.

Commissioner Hardeman made a motion to approve a day pass for the youth. The motion died for lack of a second.

President Yu made a motion to approve a group discount pass for the Youth for use on one-day field trips. A group discount pass would cost \$0.70 per child for a minimum of 10 kids. The pass would be issued to a full fare adult and would show the number of kids on a given trip. Commissioner Jefferson seconded. The motion passed unanimously.

THEREUPON, THE MEETING WAS ADJOURNED: 7:50 P.M.

Romaine A. Boldridge
Secretary

MINUTES

**PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

**Frank M. Jordan
MAYOR**

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REGULAR MEETING

**Board of Supervisors' Chambers, City Hall
2:00 P.M.**

October 26, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

**Anson B. Moran
ACTING GENERAL MANAGER**

**Romaine A. Boldridge
SECRETARY**

Call to Order: 2:15 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Morton Miller

On motion of President Yu, seconded by Commissioner Hardeman, the Minutes of the Regular Meeting on October 12, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION

NO.

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0313 GM Canceling the regular meeting of December 28, 1993.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0314 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$90,796.48.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0315 BF Approving collection of charges against the Municipal Railway in the amount of \$8,518.49 for the month of September 1993.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0316 GM Approving amendment of the contract with The Planning Collaborative to prepare a Specific Plan for the development of the Water Department's Pleasanton lands, thereby increasing the contract amount by \$667,000; and requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation of \$675,000 from 32-001-841247-4900 Revenue Transfer Out.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0317 MR Authorizing the General Manager of the Public Utilities Commission to extend the contract with Wilbur Smith Associates, to conduct the Bayshore Corridor Study, from November 8, 1993 to November 30, 1993, at no additional cost.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0318 UEB Awarding Municipal Railway Contract No. MR-899, Modifications to the Geneva Yard and Shop-General Construction, to SWK, A.J.V., in the amount of \$2,922,253.70.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0319 UEB Authorizing the Manager of the Utilities Engineering Bureau to execute Amendment No. 4 to the agreement with Montgomery-Watson Americas, Inc., to provide design and construction engineering services on the Sunol Valley Water Treatment Plant Improvement Project, by extending the contract completion date to May 31, 1994 at no additional cost to the City.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0320 UEB Accepting the work performed under Water Department Contract No. WD-2074, 8-Inch Ductile Iron Main Installation in Post Street between Gough and Scott Streets as satisfactorily completed; approving Debit Contract Modification No. 1 in the amount of \$4,183.00; assessing liquidated damages of \$17,200.00; authorizing an extension of time for unavoidable delays of 62 working days; and authorizing final payment in the amount of \$9,013.60 to the contractor, Ranger Pipelines, Inc. and A. Ruiz Construction Company.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted:

93-0321 WD Awarding Water Department Contract No. WD-2152, Crystal Springs Pipeline No. 2, Section 3, and Sunset Supply Line-Dielectric Isolation in the amount of \$119,750.00 to M.C. Construction, as the lowest responsive bidder.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted:

93-0322 UEB Accepting the work performed under the Municipal Railway Contract No. MR-869, Potrero Facility Rehabilitation, as satisfactorily completed; approving Contract Modification No. 21 in the amount of \$61,368.00; and authorizing final payment in the amount of \$61,568.00 to the contractor, N.L. Barnes Construction Co., Inc.

VOTE: AYES - Yu, Hardeman, Miller

NO - Makras

On motion of President Yu, seconded by Commissioner Miller,
the following resolution was adopted:

93-0323 UEB Rejecting all bids on Municipal Railway Contract No. MR-1101,
Muni Metro System, Market Street Track Replacement, Phase 4
- Eleventh Street to Duboce Avenue - General Construction;
approving the revised plans and specifications; and authorizing
rebid of the contract.

VOTE: AYES - Yu, Hardeman, Makras, Miller

On motion of President Yu, seconded by Commissioner Makras,
the following resolution was adopted:

93-0324 BF Requesting the Mayor to recommend to the Board of
Supervisors a Supplemental Appropriation to fund the costs of a
professional services contract to update assumptions, costs, and
statistics associated with the Transit Impact Development Fee, in
the amount of \$100,000, from funds collected pursuant to the
Fee.

VOTE: AYES - Yu, Hardeman, Miller

NO - Makras

Copies of the above resolutions are on file in the office of the Secretary of the Public
Utilities Commission.

INTRODUCTION OF OLD BUSINESS BY COMMISSIONERS:

Commissioner Makras inquired whether the report submitted regarding the use of O'Shaughnessy housing facilities included all short-term versus long-term guests. Anson B. Moran, Public Utilities Acting General Manager, stated that although the report did not indicate the status of occupancy, he believed that it was inclusive. He said he will check this matter further.

Commissioner Makras commented that staff had not yet provided information on the costs of breaking up the Public Utilities Commission that the Commission had previously directed that staff provide. He stated that this kind of information should have been made available to the Commission and to the public to help them make an informed decision in the upcoming election.

Commissioner Jefferson pointed out that the Task Force that had been setup to analyze the cost did not make a report to the Commission of its findings.

Mr. Moran responded that preliminary numbers were prepared and submitted to the Commission during last year's budget process. Due to staff reductions, the analysis was not completed.

INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS:

Commissioner Hardeman expressed his thanks to the Mayor's Office and the City Attorney's Office for organizing a seminar last Saturday, October 23, 1993, regarding the City and County of San Francisco Sunshine Ordinance and the Brown Act.

PUBLIC HEARING

Item No. 9: To receive public comments regarding the Municipal Railway 30-Stockton Line.

Sidney Chan, President of the Chinese Chamber of Commerce, commented in favor of bringing in articulated trolley coaches on the 30-Stockton line and expressed his opposition to any route changes.

Gordon Chin, President, Chinatown Resource Center, commented in favor of staff's recommendation to bring in articulated trolley coaches on the 30-Stockton line.

Rose Pak spoke in support of the use of articulated trolley coaches on Muni's 30-Stockton line and in opposition to any proposed route changes or service reductions to this line.

Arnold Chin, Vice President, Chinese Chamber of Commerce, spoke about the necessity of the 30-Stockton line to Chinatown and urged the Commission to evaluate the efficiency of this line. He urged the Commission to allow every citizen an opportunity to voice their opinions concerning Municipal Railway's operations.

Kim Hung Lo of Mei Lun Yuen Housing, commented opposing route changes on the 30-Stockton line and requested that additional buses be provided for this line.

Bao Yan Chan, President of Chinatown Tenants Association, spoke opposing any route changes in the 30-Stockton line.

Sonny Lei, Telegraph Hill Residents Association, spoke supporting the plan to use articulated trolley coaches on the 30-Stockton line.

Angela Chu, a community worker, spoke in favor of articulated trolley coaches on the 30-Stockton line.

Reverend Norman Fong, Chinatown Presbyterian Church, urged the Commission to provide more transportation services to Chinatown.

Wai Ching Kwan of Chinatown Transportation Research and Improvement Project (TRIP), commented about the traffic congestion problems in Chinatown and expressed support in providing more services to this area.

Mel Lee of the Consolidated Chinese Benevolent Association expressed support in bringing in articulated trolley coaches on the 30-Stockton line.

Kon Truong urged the Commission to allow the 30-Stockton line buses to continue to operate in Chinatown.

Charles Lehman of the Asia Pacific Democratic Club requested that the Municipal Railway increase capacity of 30-Stockton line.

Bruce Oka, representing the Municipal Railway's Accessibility Advisory Committee, spoke supporting the use of articulated trolley coaches on 30-Stockton and opposing any route changes on the line.

Patricia Vaughers, Neighborhood Merchants Association, commented supporting articulated trolley coaches but opposing running them on Chestnut Street.

Shelley E. Salieri, representing Supervisor Angela Alioto and the Citizen Advisory Commission on Congestion Management, spoke endorsing the use of articulated trolley coaches to Chinatown.

Norman Rolfe, San Francisco Tomorrow, spoke in support of articulated buses on the 30-Stockton line and urged the Municipal Railway to increase capacity and provide more service on this line.

Michael Paige, Marina Civic Improvement and Property Owners' Association, was opposed to running articulated buses on Chestnut Street, because it will create traffic problems in that area.

Dick C. Wilson, Woolf Resident Association, requested the Municipal Railway to consider the number of commuters going to and from Chinatown.

Craig Lubey, Marina Supermarket, commented that they supported the use of articulated trolley coaches but not on Chestnut Street.

Milt Seropan, Vice President of the Marina Merchants Association, was opposed to articulated trolley coaches on Chestnut Street.

Lesley Leonhardt, Executive Director, Union Street Association, spoke in support of the use of articulated coaches but there should be an alternate route in which to operate these buses to Chinatown.

Jeanne Brooke spoke in support of articulated trolley coaches and urged the Commission to keep the 30-Stockton line running on the same route.

Phillip Seronick, commented in favor of keeping the Muni 30-Stockton line.

Bill Bodine, commented about the need for accessibility of the 30-Stockton line.

Bob Planthold, Municipal Railway Accessible Services Advisory Group, commented concerning accessibility of 30-Stockton buses.

Rodney Leong, commented in favor of articulated trolley coaches.

Michael Kwok, Municipal Railway Accessible Services Advisory Group, spoke in support of articulated trolley coaches.

Howard Strassner, Sierra Club, commented in favor of the use of articulated buses on Muni lines 30-Stockton and 14-Mission.

James G. Maxwell commented opposing the use of articulated coaches in the streets of the Marina District.

Cindy Maxwell Beckman spoke opposing articulated trolley coaches in the Marina District.

Marks Lam commented opposing rerouting the 30-Stockton line.

An anonymous speaker commented opposing the elimination of some of the bus stops on Chestnut Street.

Wason Low, Tenant Association, commented supporting the use of articulated buses on 30-Stockton.

Donna Davis commented that she did not object to the existing 30-Stockton line but she was opposed to running articulated trolleys on Chestnut Street.

Commissioner Jefferson expressed his support of staff's recommendation to bring articulated trolley coaches to Chestnut Street. He pointed out that it was the Commission's responsibility to Muni's ridership to provide capacity and accessibility.

Note: Commissioner Jefferson was excused at 4:10 p.m.

Commissioner Hardeman commented in favor of using articulated trolley coaches throughout the City.

President Yu stated that the service of the Municipal Railway is for everyone and that it is the Commission's responsibility to make transportation available to its ridership. She stated that the Commission was sensitive to parking and traffic problems in the Marina District and would be dealing with those issues in the future.

President Yu directed staff to proceed with the plan to use articulated trolley coaches on the Municipal Railway's 30-Stockton line. She stated that she would be resistant to any route changes on this line.

REPORT OF THE GENERAL MANAGER

Water Bond Refinancing

Mr. Moran reported that as directed by the Commission, staff had selected a financial advisor and bond counsel to undertake the water bond refinancing project. Artemis Capital and Charles A. Bell, a joint venture, was selected as the financial advisor while Orrick, Herrington & Sutcliffe and Arnell & Hastie, also a joint venture, was selected as the bond counsel.

Commissioner Makras inquired as to when the bonds will be out in the market. Michelle Witt, Finance Director, stated that the bonds would be on the market before the end of the calendar year.

M-Line Re-start

Mr. Moran reported that M-Line service was restarted Saturday, October 23, 1993. He said that some employees were assigned to assist in collecting fares at the stations. He stated that there were no incidents or complaints reported during the day.

PUBLIC COMMENTS:

Jano Oscherwitz, Local 790, commented that before the Commission takes action on matters involving their members, PUC staff should meet and confer with union officials. As an example, she stated that staff did not confer with Local 790 on issues such as eliminating Muni passes for non-Muni employees and raising the rents of Watershed keepers. She noted that the watershed keepers were sent a letter stating that unless they signed lease documents by the following Tuesday, they were going to be evicted.

Bob Planthold, commented urging the Commission to reinstate the 3-day grace period on monthly passes for seniors.

Item No. (12): Authorizing the General Manager of the Water Department to execute Amendment No. 1 to the agreement with Westin Engineering Inc., to provide professional services on the Total Utility (SCADA) Project.

David Novagrodsky of Local 21, requested that the Commission modify the agreement to retain in-house staff to do the architectural services needed for this project.

John Mullane, General Manager, Water Department, stated that \$500,000 had been turned over to the Utilities Engineering Bureau so that some part of the work would be done in-house by existing UEB staff. Only \$152,000 of the contract amendment would be for architectural services.

Commissioner Makras inquired at what point a contract be rebid. Mr. Moran responded that there are currently no rules followed for determining when to rebid work. He said that for a project to be done in-house, the department should prove that it is cheaper to do it in-house than contracting. Mr. Mullane stated that the contractor, Westin Engineering, had completed the first phase and it would be more beneficial to contract with them for the next phase rather than bringing in another contractor.

Commissioner Hardeman inquired whether there are City employees who would lose their jobs if this contract were awarded to Westin Engineering. Commissioner Hardeman also inquired whether the compensation of City employees is comparable to that of Westin Engineering.

President Yu made a motion to continue this matter to the next Commission meeting. Commissioner Hardeman seconded. The motion passed unanimously.

President Yu directed staff to calendar the matter regarding contracting versus in-house services at a future Commission meeting.

An anonymous speaker stated that the \$150,000 put into this contract could generate a lot of labor and that the City should help create jobs.

Item No. (15): Requesting the Mayor to recommend to the Board of Supervisors a Supplemental Appropriation to fund the costs of a professional services contract to update assumptions, costs and statistics associated with the Transit Impact Development Fee.

Norman Rolfe spoke urging the Commission to approve the resolution to update the Transit Impact Development Fee. He stated that the fee should be set at the actual cost determined by the study.

Virginia Conway stated that the Department of City Planning had already done a study updating information concerning the Transit Impact Development Fee.

President Yu made a motion to approve the resolution. Commissioner Miller seconded. Commissioner Makras voted no. He stated that the staff's recommendation is inconsistent and costly. The motion passed 3-1.

ANNOUNCEMENT:

President Yu announced that the Commission did not take action concerning the Pleasanton Zoning.

THEREUPON, THE MEETING WAS ADJOURNED: 5:10 p.m.

Romaine A. Boldridge
Secretary

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11/9/93

MINUTES

PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
November 9, 1993

DOCUMENTS DEPT.

DEC 9 - 1993

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PUBLIC LIBRARY

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:00 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman, Commissioner Victor G. Makras, Commissioner James D. Jefferson, Commissioner Morton Miller

On motion of President Yu, seconded by Commissioner Miller, the Minutes of the Regular Meeting on November 9, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted in Executive Session:

93-0325 BF Approving settlement in the case of Ida Harper v. City and County of San Francisco, Superior Court No. 947-627.

VOTE: AYES - Yu, Makras, Jefferson, Miller

EXCUSED - Hardeman

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted in Executive Session:

93-0326 BF Approving settlement in the case of Fink v. City and County of San Francisco, Superior Court No. 945-138.

VOTE: AYES - Yu, Makras, Jefferson, Miller

EXCUSED - Hardeman

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0327 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$59,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0328 HH Authorizing the General Manager of the Public Utilities Commission to execute the fourth amendment to the agreement with Ellis & Prioleau, to provide legal services in Federal Energy Regulatory Commission hearings, increasing the contract amount by \$180,000, for a total contract amount not to exceed \$675,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0329 WD Authorizing the General Manager of the Water Department to execute Amendment No. 1 to the professional services agreement with Arcus Architecture and Planning, to extend the term of the contract to December 31, 1993, for an additional cost not to exceed \$3,887.68.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0330 WD Authorizing the General Manager of the Public Utilities Commission to execute the Seventh Amendment to the agreement with JRP Historical Consulting Services to perform additional research on San Francisco's "pueblo" and Lobos Creek water rights, for an additional cost of \$95,000.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0331 UEB Awarding Water Department Contract No. WD-2101, 8-Inch Ductile Iron Main Installation in Taylor Street between Lombard and Filbert Streets, Taylor Street between Union and Green Streets, Green Street between Taylor Street and August Alley, Green Street between Powell and Kearny Streets, and Union Street between Leavenworth and Hyde Streets, in the amount of \$354,250.00, to P&J Utility Co., as the lowest responsive bidder:

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0332 UEB Authorizing bid call for Water Department Contract No. WD-2148, Alameda Creek Diversion Dam - Sluice Gates; and approving transfer of \$75,000 from Water Department Project Work Phase 710-01 (Millbrae Shops Phase 2) to Water Department Work Phase 793-01 (Alameda Creek Diversion Dam - Sluice Gates).

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0333 UEB Authorizing bid call for Water Department Contract No. WD-2163, Sunol Temple Rehabilitation.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

- 93-0334 UEB Authorizing the Utilities Engineering Bureau to request qualifications, interview, select and recommend to the Commission two qualified consulting engineering firms for two separate contracts to provide specialized engineering services for a period of 24 months, one contract for use on Federally funded projects up to a maximum amount of \$150,000.00, and the other contract for use on City funded projects up to a maximum amount of \$200,000.00.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0335 PT Ratifying and approving the Non-Civil Service and temporary appointments and removals made by the General Manager of Public Utilities for the month of September 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Makras, the following resolution was adopted:

93-0336 GM Expressing appreciation to Patricia Carson for her contributions as a Member of the Public Utilities Commission.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0337 GM Expressing appreciation to Michelle Witt for her work as Director of Finance, Public Utilities Commission.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by Commissioner Hardeman, the following resolution was adopted:

93-0338 GM Adopting a resolution memorializing George L. Newkirk, former Director of Labor Relations.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted:

93-0339 WD Authorizing the General Manager of the Water Department to execute Amendment No. 1 to the agreement with Westin Engineering, Inc. to provide professional services on the Total Utility (SCADA) Project, increasing the contract amount by \$2,498,727; approving the transfer of \$800,000 from Water Department Project 602-01 (New Water Services) to Water Department Project 790-01 (SCADA System); and extending the contract completion date until October 30, 1995.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

NO - Makras

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

93-0340 WD Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$246,560 for water quality activities and projects in support of the filtration avoidance program, to be funded from Hetch Hetchy's Unappropriated Fund Balance account.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted:

93-0341 WD Requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of \$1,738,513 for water quality activities and projects in support of the filtration avoidance program, to be funded by a reduction in the Water Department's Revenue Transfer to Another Fund account.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the following resolution was adopted:

93-0342 WD Authorizing the General Manager of the Public Utilities Commission to enter into a Cooperative Agreement to participate in the Bay Area/San Joaquin Valley Water Reuse Project Step 1 Feasibility Study; at a cost to the City of \$81,800.00, available in the Water Resource Plan Program Budget.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

NOTE: Commissioner Makras was excused at 4:30 p.m.

On motion of Commissioner Hardeman, seconded by President Yu, the following resolution was adopted:

93-0343 MR Authorizing the General Manager of the Public Utilities Commission to execute an agreement with Sam Trans to purchase 59 diesel coaches for \$3,000 each, to negotiate and execute a Memorandum of Understanding with the Port for space to store the vehicles for six months, to proceed with necessary changes to bring the vehicles into the reserve fleet, and to request funding of up to \$390,000 from the Transportation Authority to cover the additional costs of these changes.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President Yu, the following resolution was adopted:

93-0344 UEB Approving the transfer of \$685,000 from Project 32-885-102-01, Calaveras Pipeline to Project 32-885-103-01, Sunol Valley Water Treatment Plant Improvement.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted:

93-0345 UEB Approving the transfer of \$734,000.00 from Water Department San Andreas Pipeline No. 3 Rehabilitation Project to Water Department Bay Division Pipelines Nos. 3 and 4, Axial Slip Joint and Concrete Vault Installation Project.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted:

93-0346 UEB Approving Contract Modification No. 5 to Water Department Contract No. WD-2037R, Calaveras Pipeline Replacement, with Stacy and Witbeck, Inc., to perform additional mitigation work, at a cost not to exceed \$100,000.00.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

Copies of the above resolutions are available in the office of the Secretary of the Public Utilities Commission.

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INTRODUCTION OF NEW BUSINESS BY COMMISSIONERS

Commissioner Makras suggested inviting Burns Security and the Chief of Police to make a presentation on how funds for security are spent, where security measures are failing and to recommend ways of improving all security aspects in the Municipal Railway.

NOTE: Commissioner Jefferson arrived at 2:05 p.m.

President Yu directed the Public Utilities General Manager to report regarding the current security program of the Municipal Railway at the next Commission meeting on December 14, 1993.

Commissioner Makras inquired about how many day passes had been sold. Johnny B. Stein, Municipal Railway General Manager, responded that 43,000 day passes were sold in October. He stated that staff will submit a report at the next meeting on the total revenue package.

Commissioner Makras pointed out that he would like to know what the goal is for increasing the number of vendors selling the day pass.

REPORT OF THE GENERAL MANAGER

Mayor's Fiscal Advisory Committee Award

John Mullane, Water Department's General Manager, announced that the Mayor's Fiscal Advisory Committee (MFAC) awarded Managerial Excellence Awards to Don Larramendy, Water Construction and Maintenance Supervisor, and Tom Standing, a Civil Engineer. Messrs. Larramendy and Standing were responsible for developing a computerized work order system for the Water Supply and Treatment Division.

Bayshore Corridor Study

Richard Tilles of Wilbur Smith Associates and Project Manager of the Bayshore Corridor Study presented the status of the study and recommendations for the project.

Mr. Tilles recommended implementing a light rail transit system in the Bayshore Corridor along Third Street. He stated that the light rail transit system would increase reliability of service and would stimulate economic development in the Bayshore Corridor. He said that a light rail transit system was supported by the community.

Mr. Tilles said that they would be looking at various light rail alternatives and would be doing further studies on those alternatives. Mr. Tilles stated that all of the LRT alternatives cost between \$150 million and \$200 million. Only \$190 million is available in Prop B funds for construction and vehicles. If it were to split equally between the Bayshore Corridor and Geary Corridor projects, there would be \$95 million for the Bayshore Corridor Project. He suggested an option of building less by not going all the way to Bayshore due to the limited budget of \$95 million. He pointed out that even a reduced project would cost more than \$95 million. Other possible options he suggested were not to split the \$190 million and just allocate the money to the Bayshore Corridor, or apply for federal funding.

Mr. Tilles presented some recommendations to be considered if a light rail transit system is decided for the Bayshore Corridor: seek FTA capital funding; move LRT into alternative analysis; look at the possibility of low platforms in the Market Street subway stations; secure the development of a railyard; provide exclusive right of way for LRT; replace lost on-street parking; provide expanded 9X-San Bruno Express service to provide a connection between Visitation Valley and Chinatown; provide two moving traffic lanes on Third Street; plan early start capital improvement; and conduct concurrent economic development process.

Mr. Tilles pointed out the need to develop a railyard to store and maintain the new vehicles. The existing Curtis Green Light Rail Center does not have room for additional vehicles. As to funding for the railyard, Peter Straus stated that funds may be available from State legislation raising the gas tax statewide.

Sue Stropes, Municipal Railway Bayshore Corridor Project Manager, discussed the transit development process and the economic development planning process.

Peter Straus expressed concerns in the Bayview community regarding disruption of service to Chinatown that the Muni No. 15 line currently provides. Mr. Straus stated that they are looking at increasing the hours and frequency of service of the 9X-San Bruno Express and using extensions to maintain connection between Chinatown and Visitacion Valley and that he endorses the necessity of maintaining this connection.

Proposition M Implementation

Mr. Moran announced that Proposition M which called for the establishment of a Transportation Commission was passed by the electorate last Tuesday, November 2, 1993. The Transportation Commission would be responsible for the Municipal Railway and some functions now under PUC bureaus. The Commission will constitute of five members appointed by the Mayor, three of whom would be knowledgeable in transit matters and two would be regular transit riders. The new Commission could begin operations on January 1st. Mr. Moran also explained that the Board of Supervisors, if they so wish, has the authority to combine the Transportation Commission and the Parking & Traffic Commission which would, if combined, form a seven-member Transportation Commission.

Mr. Moran indicated that the establishment of a new Transportation Commission does not improve the financial stability of the Municipal Railway. A probable source of additional income would come from Parking & Traffic when parking meters and garage rates are increased.

Mr. Moran stated that the budget which would be presented to the Mayor on February 1, 1994 would address how the bureau functions would be divided between the two Commissions.

Commissioner Makras requested that staff provide information on how much it would cost to break up the Public Utilities Commission.

PUBLIC COMMENTS

Bob Planthold commented about instances of abuse in the use of day passes and that there was no equity in the fare increase for all categories of passengers.

Charles Lehman, member of the Asian Pacific Democratic Club, urged the Commission to address the concerns of the residents in Visitacion Valley and to continue to provide transportation service to Chinatown.

Marlene Tran, spokesperson of Visitacion Valley Asian Residents Organization, expressed her opposition in eliminating Muni's No. 15-Downtown service when the light rail transit project is completed.

Winnie Tsang, a Visitacion Valley resident, expressed her opposition in eliminating Muni's No. 15-Downtown service.

Henry Holmes, Urban Habitat Program, commented that there was an ongoing community involvement process in this project. He stated that the Bayshore Corridor has immense potential for economic development.

Charlie Walker, African-American Contractors Association, commented that there was no African-American participation in the planning process.

Commissioner Jefferson stated that he will assure that African-American and other minority groups would be able to participate in the design and construction phase of the Bayshore Corridor Project.

Shelley Salieri, member of the Citizen Advisory Committee, suggested holding a meeting with the Bayview community to get their ideas about the project.

Item No. (13): Discussion of the use of contractors and subcontractors on department projects, versus increasing department staff.

Linda Jofuku representing the International Federation of Professional Technical Engineers, Local 21, stated that there is a general rule to follow in the City Charter that the only time Civil Service classification work should be contracted out is when the work is temporary and requires special expertise. She stated that there are existing job classifications that could do the work and it would be cheaper to hire them. She urged that the Commission look at the cost involved when jobs are contracted out.

Resolution No. 93-0339: Authorizing the General Manager of the Water Department to execute Amendment No. 1 to the agreement with Westin Engineering, Inc. to provide professional services on the Total Utility (SCADA) Project.

Donald Chan, representative of the International Federation of Professional Technical Engineers, Local 21, urged the Commission not to approve the amendment because the nature of the work in this project could be performed by existing Civil Service employees.

Commissioner Makras encouraged fellow members of the Commission not to vote for approval of the amendment. He stated that the contract should be put out to bid to get a better deal for the City.

Mr. Moran stated that the original contract was put out to bid and the bidders then were aware that there would be several phases in the project. Mr. Moran indicated that staff was satisfied with the work done by Westin Engineering in the first phase of the project.

Mr. Mullane pointed out that the overall contract was unique and that there were no City employees that could do the work. He stated that \$500,000 of the \$650,000 worth of architectural design work was moved to the Utilities Engineering Bureau to do some portions of the work in-house. He stated that there were no subcontractors that possessed the unique skills required to perform the job.

Commissioner Jefferson stated that the Commission needs to review the policy issues dealing with DBE participation and to understand the capabilities of various City departments and identify the costs associated with using in-house staff versus contracting out for City projects.

Commissioner Hardeman stated that he supported the contract amendment. He said that he believed that Westin Engineering was the best qualified contractor to do the job. He stated that the Commission would be looking at the policy in awarding contracts.

President Yu made a motion to adopt the resolution. Commissioner Miller seconded. Commissioner Makras voted no. The motion passed 4-1.

At 4:30 p.m., the meeting was recessed. Commissioner Makras was excused for the remainder of the meeting.

At 4:35 p.m., the meeting was reconvened.

Item No. 18: Adopting the "Muni Design Guidelines for Outdoor, High-level, Center Boarding Platforms" document.

Item No. 19: Authorizing the Utilities Engineering Bureau to proceed with the final transit shelter design proposed for the new center platforms at 19th Avenue and Holloway Boulevard, and at 19th Avenue and Winston Avenue.

Jim Nelson, Project Manager of the 19th Avenue Project, presented the design proposed as the standard design for high-level, center boarding platforms.

Leonard Hunter, an artist from the Art Commission, who assisted in the design of the 19th Avenue platforms explained the various points they considered in developing the design, such as vandalism and graffiti proof, need for privacy, and characteristics of the neighborhood.

Ken Jew of the Utilities Engineering Bureau, stated that the project was fully funded. The project would cost \$9 million. He indicated that the San Francisco State University would take full responsibility for the maintenance of the 19th and Holloway platform and Gannet Outdoor Advertising would maintain the Winston Drive platform.

Dr. Marilyn Boxer, Vice President of San Francisco State University (SFSU) spoke urging the Commission to support the design for the center boarding platforms for 19th and Holloway. Dr. Boxer stated that in behalf of SFSU President Robert Corrigan, the university agreed to provide maintenance on the Holloway platform.

Bob Planthold expressed support for the guidelines and for the 19th Avenue platform design.

Shelley E. Salieri commented that she supported the design of the platform on 19th Avenue but expressed concern that the design did not have provisions for fare collection.

The following individuals commented supporting the proposed high-level, center boarding platforms on 19th Avenue: Commissioner Aris Demetrios, member, San Francisco Art Commission; Catherine B. Sanders; Robert Pender, representing Park Merced Residents Organization; Landis Whistler, President of the Board, Stonestown Tenants Organization; David Mackey, General Manager of Stonestown Galleria.

Bobbie Brown, Transport Workers Union, urged that the Commission address the issue of fare collection at the Holloway and Winston Drive stations.

Johnny Stein, Municipal Railway's General Manager, stated that the 19th Avenue platforms were designed for a proof of payment system. Mr. Moran indicated that a proof of payment system could not be implemented because of issues that have to be resolved regarding MOU requirements and the absence of citation authority.

Commissioner Hardeman addressed his concerns that there were no guarantees that the platforms are going to be continually maintained because they are too expensive to maintain. He suggested that the Commission hold this item for consideration by the new Transportation Commission.

Commissioner Miller made a motion to hold the project until the fare collection issue is resolved. Commissioner Hardeman seconded. Commissioners Yu and Jefferson voted no. The motion failed.

Commissioner Jefferson made a motion to approve Item No. 18. President Yu seconded. Commissioners Hardeman and Miller voted no. The motion failed.

President Yu made a motion to continue Items 18 and 21 to the next Commission meeting and directed staff to submit a design addressing the fare collection issue.

Resolution No. 93-0343: Authorizing the General Manager of Public Utilities to execute an agreement with SamTrans to purchase 59 diesel coaches; requesting funding of \$390,000 from the Transportation Authority.

Shelley Salieri commented that any monies from the Transportation Authority are highly speculative.

Commissioner Hardeman made a motion to adopt the resolution. President Yu seconded. The motion passed unanimously.

Item No. (20): Authorizing the award of Water Department Contract No. WD-2132R1, SFWD-Millbrae Headquarters - Phase IIA, North Shops/Fuel Island, in the amount of \$2,974,520.00, to Berrios Construction Company.

This was continued to the next meeting.

ANNOUNCEMENT

President Yu announced that the Commission met in executive session immediately before the meeting and approved the following settlements: Ida Harper v. City and County of San Francisco, Superior Court No. 947-627; and Pauline Fink v. City and County of San Francisco, Superior Court No. 945-138.

THEREUPON, THE MEETING WAS ADJOURNED: 5:50 P.M.

Romaine A. Boldridge
Secretary

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MINUTES
PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
November 23, 1993

COMMISSIONERS

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:05 p.m.

Present: President Kay K. Yu, Vice President Michael E. Hardeman,
Commissioner Victor G. Makras, Commissioner James D. Jefferson,
Commissioner Morton Miller

On motion of President Yu, seconded by Commissioner Jefferson, the Minutes of the Regular Meeting on November 9, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0347 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Water Department totaling \$26,105.74.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0348 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$83,052.62.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0349 BF Approving collection of charges for damages against the Municipal Railway from miscellaneous debtors in the amount of \$8,492.60 and write-off compromise reductions of \$181.18, for the month of October 1993.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0350 UEB Approving Contract Modification No. 1 to Water Department Contract WD-2115, San Andreas Pipeline No. 3 Rehabilitation, to extend the contract 67 calendar days due to the construction postponement ordered by the City Attorney.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0351 UEB Accepting the work performed under Water Department Contract No. WD-2108, 8-Inch Ductile Iron Main Installation in Presidio Avenue between California and Post Streets and in Post Street between Presidio Avenue and Scott Street, as satisfactorily completed; approving Debit Contract Modification No. 2 in the amount of \$3,561.00; and authorizing final payment in the amount of \$58,768.10 to the contractor, P&J Utility, Co.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

- 93-0352 UEB Authorizing bid call of Water Department Contract No. WD-2145, 8-Inch Ductile Iron Main Installation in Chattanooga Street between 21st and Jersey Streets, and in 22nd Street between Fair Oaks and Church Streets.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by
Commissioner Hardeman, the following resolution was adopted:

93-0353 HH Authorizing the General Manager of Public Utilities to execute the second amendment to the agreement with Ronald Yoshiyama, for "as needed" consulting services related to Bay-Delta hearings, increasing the contract amount by \$5,000.00, for a total not to exceed \$30,000.00.

VOTE: AYES - Hardeman, Makras, Jefferson, Miller

EXCUSED - Yu

On motion of Commissioner Jefferson, seconded by
Commissioner Makras, the following resolution was adopted:

93-0354 WD Authorizing the General Manager of the Water Department to negotiate and execute a professional engineering services agreement with Olivia Chen Consultants, for an amount not to exceed \$99,790.00, to complete a water supply permit application and secure permit from the State Department of Health Services, Office of Drinking Water.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner
Jefferson, the following resolution was adopted:

93-0355 WD Renaming the San Andreas Water Treatment Plant the "Harry W. Tracy Water Treatment Plant" in honor of former Water Quality Manager Harry W. Tracy.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by President
Yu, the following resolution was adopted:

93-0356 HH Approving conveyance of a 540± square foot easement, for the placement of a Community Service Cabinet by Pacific Bell, over a portion of Hetch Hetchy parcel 669 in the City of Modesto.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Hardeman, seconded by Commissioner Miller, the following resolution was adopted:

93-0357 MR Requesting that the Mayor recommend to the Board of Supervisors a supplemental appropriation of \$1,497,400.00 to fund the Municipal Railway's maintenance related activities.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by Commissioner Jefferson the following resolution was adopted:

93-0358 MR Approving Contract Modification No. 2 to Municipal Railway Contract No. MR-898R, 14-Mission Line Trolley Overhead Reconstruction, with L.K. Comstock and Company, Inc., to furnish and install special trolley overhead catenary equipment for the Potrero Trolley maintenance yard at a cost of \$196,000; and approving extension of time of 42 calendar days.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0359 MR Adopting the "Muni Design Guidelines for Outdoor, High-level, Center Boarding Platforms" document.

VOTE: AYES - Yu, Jefferson, Miller

NOES - Hardeman, Makras

On motion of President Yu, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0360 UEB Authorizing the Utilities Engineering Bureau to proceed with the final transit shelter design proposed for the new center platforms at 19th Avenue and Holloway Boulevard, and at 19th Avenue and Winston Avenue.

VOTE: AYES - Yu, Jefferson, Miller

NOES - Hardeman, Makras

On motion of Commissioner Jefferson, seconded by
Commissioner Makras, the following resolution was adopted:

93-0361 UEB Authorizing the award of Water Department Contract No. WD-2132R1, SFWD-Millbrae Headquarters - Phase IIA, North Shops/Fuel Island, in the amount of \$2,974,520.00, to Berrios Construction Company, as the lowest responsive bidder; and requesting the Board of Supervisors' approval to extend the time for award.

VOTE: AYES - Yu, Makras, Jefferson, Miller

NO - Hardeman

On motion of Commissioner Jefferson, seconded by
Commissioner Hardeman, the following resolution was adopted:

93-0362 BF Authorizing a request for assistance from the San Francisco Municipal Railway Improvement Corporation to continue and expedite work on the Financial Capacity Study pertaining to the Muni Capital Improvement Program.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by Commissioner Jefferson, the following resolution was adopted in Executive Session:

93-0363 GM Approving the temporary appointment of Fred Howell to the position of Assistant General Manager, Bureau of Financial Management, Public Utilities Commission.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Makras, seconded by President Yu, the following resolution was adopted in Executive Session:

93-0364 MR Approving settlement of litigation in the case of Clarence Wingert v. City and County of San Francisco, Superior Court No. 945-011.

VOTE: AYES - Yu, Hardeman, Makras, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Makras, the following resolution was adopted in Executive Session:

93-0365 MR Approving settlement of litigation in the case of Dominic Tringali v. City and County of San Francisco, Superior Court No. 948-480.

VOTE: AYES - Yu, Makras, Jefferson, Miller

NO - Hardeman

Copies of the above resolutions are on file in the office of the Secretary of the Public Utilities Commission.

COMMUNICATIONS

President Yu directed staff to forward Commissioner Victor Makras's letter regarding security issues in the Municipal Railway to the new Transportation Commission.

PUBLIC COMMENTS

Phillip Seronick urged the Commission to reduce the discount pass to its former cost of \$5.00.

Samuel Ganczaruk commented that fare revenue went down because people were not satisfied with the service that the Municipal Railway provides. He commented about the complexity of the Day Pass program.

REPORT OF THE GENERAL MANAGER

Fare Revenue Update

Kathleen Kelly of the Bureau of Finance presented a report on the Municipal Railway's fare revenues for the month of October 1993. She stated that the report contained only a month's worth of data after a fare structure change.

Ms. Kelly reported that the total revenue for the month of October was \$150,000. She indicated that if revenues continue to be at this level, it would be difficult to meet the fare revenue target and that the Municipal Railway would face a \$4 million to \$5 million shortfall in its budget for this fiscal year. The targeted revenue was \$750,000 per month beginning in October or \$7 million annually.

Commissioner Makras commented that the Commission should make a policy decision to balance the Municipal Railway's budget. He stated that the Commission should decide what action it would take to deal with the shortfall, whether to raise the fares or reduce service.

Commissioner Makras stated that the Board of Supervisors may have made a commitment not to cut service, but there was no commitment that fares would not be raised. He indicated that to raise fares three times in a row and to continue defacto service cuts would be unfair to the public. He commented that defacto service cuts jeopardize Muni's Transit Impact Development Fund (TIDF) monies.

Commissioner Makras expressed his opinion that it is the Commission's responsibility to make its own recommendations to balance the budget and that it should act independently of other governmental bodies in the City.

Resolution No. 93-0353: Authorizing the General Manager of Public Utilities to execute the second amendment to the agreement with Ronald Yoshiyama, for "as needed" consulting services related to Bay-Delta hearings.

Norman Rolfe inquired as to whether President Yu had a conflict of interest regarding this matter since the subject matter involves various State agencies.

Commissioner Jefferson made a motion to excuse President Yu from voting on this item. Commissioner Miller seconded. The motion passed unanimously.

Commissioner Jefferson moved to adopt the resolution to approve the amendment to the agreement with Ronald Yoshiyama. Commissioner Hardeman seconded. The motion passed 4-0.

Item (10): Proposition M Implementation, Discussion II.

Anson B. Moran, Acting Public Utilities General Manager, stated that a draft recommendation on how the bureaus would be divided between the Transportation Commission and the Public Utilities Commission would be circulated on December 1, 1993 to all employees for comments.

Mr. Moran suggested creating a unit in the Transportation Commission that would administer the Municipal Railway's capital projects. Project management, engineering, and accounting functions would be considered as major components of this unit. Mr. Moran stated that the Grants Division in the Bureau of Finance would likely be merged into this unit. Mr. Moran indicated that a Deputy General Manager may head the capital projects unit.

Commissioner Makras requested that staff provide the direct costs of breaking up the bureaus. He stated that there was no indication as to the source of funds to cover the costs of the breakup or to fill the \$5 million shortfall. He expressed concerns about using fare increases or service reductions as options to address funding issues.

Commissioner Makras requested that staff provide a list of the first ten functions of the Municipal Railway that could be privatized. He named, as examples, the ballpark service, security services, claims, and paratransit service. President Yu directed staff to provide the list as requested by Commissioner Makras.

Jano Oscherwitz, Local 790 representative, spoke urging the Commission to meet and confer with representatives of their union before passing any resolution that would require changes in the hours and conditions of employment of their members.

Alice Fialkin, representative of Local 200, commented that privatization is a major issue and it would not necessarily generate cost savings to the City.

Resolution No. 93-0359: Adopting the "Muni Design Guidelines for Outdoor, High-level, Center Boarding Platforms" document.

Resolution No. 93-0360: Authorizing the Utilities Engineering Bureau to proceed with the final transit shelter design proposed for the new center platforms at 19th Avenue and Holloway Boulevard, and at 19th Avenue and Winston Avenue.

Johnny B. Stein, Municipal Railway's General Manager, reported on the fare survey done by the Municipal Railway's Scheduling Department to distinguish the different types of fares collected at the 19th Avenue stations. He mentioned that he requested Lt. Fortner of the Transit Police Detail to observe fare evasion activities in those stations and they found that the majority of the fares were collected in these areas.

President Yu stated that the Muni Design Guidelines and the 19th Avenue platforms were separate issues from the fare collection issue and that the Commission should proceed with the guidelines and the design for the 19th Avenue platforms at Winston and Holloway Streets.

President Yu suggested conducting a pilot Proof of Payment study to explore the possibilities of implementing a Proof of Payment system on the 19th Avenue line. She stated that staff should first meet and confer with labor unions to discuss the feasibility of a pilot Proof of Payment program. She said that a study is needed because if Proof of Payment is not an acceptable option for fares, the Commission would need to develop a fare collection system that would be applicable to all platforms.

Bobbie Brown, Transport Workers Union, Local 250A, urged the Commission to address the fare collection issue at the 19th Avenue platforms. He said that the City was losing money because there were no fare collection provisions for the platforms. He brought up the issue of whether there would be enough security personnel to implement the Proof of Payment program.

Commissioner Hardeman commented that the decision on the guidelines and platform design for the 19th Avenue stations should be held for action by the new Transportation Commission. President Yu stated that the resolutions before the Commission would only direct staff to continue with the design and that the decision on breaking ground would be left with the Transportation Commission.

Alice Fialkin expressed concern about who would have the responsibility for fare inspection in a Proof of Payment system.

Bob Planthold and Norman Rolfe commented in favor of proceeding with the design for the 19th Avenue platforms and approving the guidelines.

President Yu moved to direct staff to submit to the Commission a Request for Proposals to conduct a pilot Proof of Payment study at the platforms on 19th Avenue and that the Request for Proposals should reflect the results of discussions made with the unions. Commissioner Makras seconded. Commissioner Hardeman voted no. The motion passed 4-1.

President Yu made a motion to adopt the "Muni Design Guidelines for Outdoor High Level Center Boarding Platforms." Commissioner Jefferson seconded. Commissioners Hardeman and Makras voted no. The motion passed 3-2.

President Yu made a motion to proceed with the shelter design for the platforms on 19th Avenue and Winston and on 19th Avenue and Holloway. Commissioner Jefferson seconded. Commissioners Hardeman and Makras voted no. The motion passed 3-2.

Resolution No. 93-0361: Authorizing the award of Water Department Contract No. WD-2132R1, SFWD-Millbrae Headquarters - Phase IIA, North Shops/Fuel Island, in the amount of \$2,974,520.00, to Berrios Construction Company, as the lowest responsive bidder.

Stan Smith, San Francisco Building Trades Council, commented that Berrios Construction Company had a history in the City of not completing their projects within the original bid submitted. He presented to the Commission contract modifications and contract extension documents related to various City projects awarded to Berrios. Mr. Smith requested that the Commission reject the contract award to Berrios.

Charlie Walker, African-American Council, commented in favor of awarding the contract to Berrios Construction Company.

Paul V. Simpson, representing Berrios Construction Company, urged the Commission to award the contract to the lowest responsive bidder. He stated that Berrios' track record in completing their contracts is competent.

Commissioner Miller inquired about the Commission's authority in awarding contracts. George Krueger, Public Utilities Counsel, responded that the authority of the Commission is limited to awarding contracts to the lowest responsive bidder. Mr. Krueger stated that in cases where there is an irresponsible contractor, charges should be initiated by the department head and the Controller's Office and a public hearing should be held.

Commissioner Jefferson moved to adopt the resolution. Commissioner Makras seconded. Commissioner Hardeman voted no. The motion passed 4-1.

President Yu adjourned the regular meeting at 4:20 p.m. to an Executive Session. The executive session lasted until 4:50 p.m.

President Yu announced the actions taken by the Commission at the Executive Session as follows: (1) approved the temporary appointment of Frederic Howell to the position of Assistant General Manager, Finance, Bureau of Financial Management, Public Utilities Commission; (2) approved the settlement of litigation in the case of Clarence Wingert v. City and County of San Francisco, Superior Court No. 945-011, and (3) approved the settlement of litigation in the case of Dominic Tringali v. City and County of San Francisco, Superior Court No. 948-480.

THEREUPON, THE MEETING ADJOURNED: 4:51 P.M.

Romaine A. Boldridge
Secretary

P82
#3
12/14/93

MINUTES

PUBLIC UTILITIES COMMISSION CITY AND COUNTY OF SAN FRANCISCO

Frank M. Jordan
MAYOR

REGULAR MEETING

Room 282, City Hall
2:00 P.M.
December 14, 1993

BUSINESS-SCIENCE
DOCUMENTS DEPT.

JAN 7 1994

COMMISSIONERS

SAN FRANCISCO
PUBLIC LIBRARY

Kay K. Yu, President

Michael E. Hardeman, Vice President

Victor G. Makras

James D. Jefferson

Morton Miller

DEPARTMENTS

Municipal Railway

Water Department

Hetch Hetchy

BUREAUS

Engineering and Construction Management

Financial Management

Information Systems

Personnel and Training

Anson B. Moran
ACTING GENERAL MANAGER

Romaine A. Boldridge
SECRETARY

Call to Order: 2:10 p.m.

Present: Vice President Michael E. Hardeman, Commissioner James D. Jefferson, Commissioner Morton Miller

Commissioner Hardeman presided.

Commissioner Kay K. Yu arrived at 4:20 p.m.

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the Minutes of the Regular Meeting of November 23, 1993 were approved.

A tape of the meeting is on file in the office of the Secretary of the Public Utilities Commission.

RESOLUTION
NO.

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the following resolution was adopted:

93-0366 MR Adopting the San Francisco Municipal Railway Americans with Disabilities Act Paratransit Plan Update.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0367 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$35,000.00.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0368 BF Requesting the Controller to allot funds and to draw warrants against such funds as are or will be available in payment of claims against the Municipal Railway totaling \$94,000.00.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0369 PT Ratifying and approving the Non-Civil Service and Temporary appointments and removals made by the General Manager of the Public Utilities Commission for the month of October 1993.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0370 MR Approving the release of subcontractor, Emil J. Weber Electric Company, from performance of electrical work on the Municipal Railway Contract No. MR-1035-R, Kirkland Motor Coach Facility - Security Fencing & Gates, and authorizing Angotti & Reilly/T. Joo to perform the electrical work in the place of and instead of Emil J. Weber Electric Company, retroactive to May 13, 1993.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0371 MR Authorizing the transfer of \$450,000 from the Municipal Railway's Judgments and Claims budget to Services of City Attorney for legal expenses related to construction claims litigation.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0372 UEB Rejecting all bids submitted for Hetch Hetchy Water and Power Contract No. HH-834, Old Moccasin Powerhouse Rehabilitation Project.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0373 WD Authorizing the General Manager of the Water Department to advertise for bids to reconstruct the Alameda Creek Diversion Dam Road at a cost not to exceed \$350,000.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0374 WD Approving acceptance of 15 feet easement, containing approximately 0.088 acres of land, from the Santa Clara Valley Water District located in San Jose, Santa Clara County, at no cost to the City.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0375 UEB Accepting the work performed under Water Department Contract No. WD-2102, 8-Inch Ductile Iron Main Installation in Eddy Street between Divisadero and Gough Streets, as satisfactorily completed; approving Debit Contract Modification No. 2 in the amount of \$3,400.00; authorizing an extension of time for unavoidable delays of eleven (11) working days; and authorizing final payment in the amount of \$47,982.10 to the contractor, Ranger Pipelines, Inc. and A. Ruiz Construction Company, a joint venture.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0376 UEB Awarding Water Department Contract No. WD-2130R, Ventilation of Adit Structures, in the amount of \$138,997.00 to Pan-Marine Constructors, Inc., as the lowest responsive bidder.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0377 UEB Rejecting all bids submitted for Water Department Contract No. WD-2155R, McLaren Pump Station Standby Generator and Related Work, approving the revised plans and specifications; and authorizing readvertisement.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0378 UEB Authorizing bid call for Water Department Contract No. WD-2161, Bay Division Pipelines #3 and #4-Axial Slip Joint and Concrete Vault Installation.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the following resolution was adopted:

93-0379 GM Adopting the revised Rules of Order for the Public Utilities Commission, City and County of San Francisco.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0380 GM Amending Public Utilities Commission Resolution 93-0122, setting policy on free employee passes and courtesy passes to PUC employees, by changing the effective date to June 30, 1994.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the following resolution was adopted:

93-0381 MR Authorizing the General Manager of the Public Utilities Commission to circulate a Request for Proposals for a management firm to develop, implement and manage a merchandising, licensing and marketing program for the Municipal Railway.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0382 HH Authorizing acceptance of a donation of \$50,000 from the Bank of Canton and the YMCA of San Francisco to be used to increase the illumination level of the street lighting system located in the Tenderloin; and authorizing the Bureau of Light, Heat and Power to increase the contract amount with the Department of Electricity from \$569,072.25 to \$619,072.25 to accomplish this work.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Jefferson, seconded by Commissioner Miller, the following resolution was adopted:

93-0383 WD Authorizing the General Manager of the Public Utilities Commission to enter into a personal services contract with Unlimited Access and Systems Support Technologies, to develop computer systems for the Water Department's Water Supply and Treatment Division.

VOTE: AYES - Hardeman, Jefferson, Miller

On motion of Commissioner Miller, seconded by Commissioner Jefferson, the following resolution was adopted:

93-0384 UEB Approving Contract Modification No. 3 to the contract with Breda Costruzioni Ferroviarie S.p.A, Contract No. 309, Muni LRV2 Procurement, increasing the contract amount by \$20,567,083.00, for a total contract amount of \$122,427,778.00.

VOTE: AYES - Hardeman, Jefferson, Miller

Commissioner Yu arrived at 4:20 p.m.

On motion of Commissioner Jefferson, seconded by Commissioner Yu, the following resolution was adopted:

93-0385 BF Authorizing the Assistant General Manager of Finance to apply for, accept and expend \$6,008,020 from 1994-95 State of California Transit Capital Improvement (TCI) funds and an equal amount of local match funds for the following Municipal Railway projects: Motor Bus Rehabilitation; Advanced Train Control System; Trolley Coach Replacement; Trolley Overhead Reconstruction; Muni Metro Accessibility; Cable Car Renovation; and LRV Modifications.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted in Executive Session:

93-0386 MR Approving settlement of litigation in the case of Earl Wilson v. City and County of San Francisco, Superior Court No. 647-612.

VOTE: AYES - Yu, Jefferson, Miller
 NO - Hardeman

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted in Executive Session:

93-0387 MR Approving settlement of litigation in the case of Le Fevre, Northern District Bankruptcy Court No. 92-4123.

VOTE: AYES - Yu, Hardeman, Miller
 ABSENT - Jefferson

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted in Executive Session:

93-0388 MR Approving settlement of litigation in the case of Smith v. City and County of San Francisco, Superior Court No. 936-720.

VOTE: AYES - Yu, Jefferson, Miller
 NO - Hardeman

On motion of President Yu, seconded by Commissioner Miller, the following resolution was adopted in Executive Session:

93-0389 WD Approving settlement of litigation in the case of City and County of San Francisco v. City of San Jose, W. H. Ebert, et.al. , Santa Clara County Superior Court No. 716-441.

VOTE: AYES - Yu, Hardeman, Jefferson, Miller

PUBLIC COMMENTS

David Pilpel commented that when Proposition M is implemented, the new Transportation Commission would need Commissioners who understand transportation.

Resolution No. 93-0366: Adopting the San Francisco Municipal Railway Americans with Disabilities Act Paratransit Plan Update.

Commissioner Miller inquired about the possibility of combining the Municipal Railway Accessible Services and the Police Department's Senior Escort Program. Annette Williams, Manager of Municipal Railway Accessible Services, stated that the Muni Accessible Services provide transportation services to people who could not use local transportation while the Escort Program provides both transportation and escort services. She stated that if funding is available, they could absorb the senior escort function.

Commissioner Jefferson moved to adopt the resolution. Commissioner Miller seconded. The motion passed 3-0.

Resolution No. 93-0379: Adopting the revised Rules of Order for the Public Utilities Commission, City and County of San Francisco.

Romaine A. Boldridge, Commission Secretary, stated that the changes in the Rules of Order for the Public Utilities Commission were recommended by the City Attorney's Office to make the Rules of Order conform with the new Sunshine Ordinance. The ordinance would become effective on December 16, 1993.

Norman Rolfe spoke in favor of adopting the recommended changes in Rule 16. He expressed opposition to Rule 18 that limits speakers to three minutes. He suggested amending Rule 20 to extend retention of meeting tapes from seven days to 30-90 days. Ms. Boldridge explained that the seven-day retention rule was required by the Sunshine Ordinance.

David Pilpel commented that he agreed with Mr. Rolfe's comments. He suggested deleting the rule regarding the seven-day retention of tape records.

Commissioner Jefferson moved to amend Rule 20 to require retention of tapes for at least 90 days. Commissioner Miller seconded. The motion passed unanimously.

George Krueger, Utilities General Counsel, expressed his understanding of Rule 20 in that the three-minute limitation was to guarantee a minimum time for a person to speak and give everybody a chance to speak. He noted that the Commission has the authority to suspend the rules and allow a speaker to speak more than three minutes. Commissioner Jefferson asked whether the three-minute limitation applies to staff as well. Mr. Krueger stated that Rule 20 applies to public comments and does not apply to staff when they are making presentations on a calendar item.

Commissioner Jefferson moved to adopt the revised Rules of Order, as amended, and directed the City Attorney to report at the next meeting any suggested amendments to Rule 20 regarding the three-minute time limitation. Commissioner Miller seconded. The motion passed unanimously.

Resolution No. 93-0380: Amending Public Utilities Commission Resolution 93-0122, setting policy on free employee passes and courtesy passes for PUC employees.

Jano Oscherwitz of Local 790 urged the Commission to withdraw the proposal regarding free Muni passes for employees. She stated that a grievance was filed by Local 790 on this matter. She pointed out that management is required to meet and confer with union officials before any action is taken regarding changes in employee hours, wages and working conditions.

Commissioner Miller moved to adopt the resolution. Commissioner Jefferson seconded. The motion passed unanimously.

Item No. (13): Presentation by Cubic Automatic Revenue Collection Group on Transit Ticket Processing Unit.

Representatives from Cubic Automatic Revenue Collection Group provided a display of the ticket processing unit in Room 287, City Hall, on December 14, 1993 between 10:00 a.m. and 2:00 p.m.

Mr. William C. Hooper, Vice President and General Manager of Cubic Automatic Revenue Collection Group, gave a brief presentation to the Commission at the meeting. He stated that the ticket processing unit could issue magnetically encoded transfers or day passes on board Muni vehicles.

President Hardeman declared a recess at 2:50 p.m. to allow members of the Commission and the public another opportunity to view the equipment on display in Room 287.

At 3:10 p.m. the meeting reconvened.

Item (14): Status report on Municipal Railway security operations.

Phil Chin, Deputy General Manager of the Municipal Railway, presented the department's response to issues raised by the Controller's Internal Audit Division regarding security services at the Municipal Railway. Mr. Chin discussed hiring practices, staff assignments, security devices and fencing.

Bob Planthold, representing Muni Accessibility Advisory Group, suggested fencing the Kirkland Division yard to prevent vandalism of Muni's accessible vehicles. He also suggested that the Bay Area Rapid Transit (BART) be requested to provide additional security services in subway locations where BART and MUNI share stations.

Claire Caldwell, Transport Workers Union, Local 250A urged the Commission not to take action on the report since their union officials have not seen the report.

Resolution No. 93-0381: Authorizing the General Manager of the Public Utilities Commission to circulate a Request for Proposals for a management firm to develop, implement and manage a merchandising, licensing and marketing program for the Municipal Railway.

Gordon Smith of the Municipal Railway stated that the Request for Proposal would seek a vendor who would develop a registered trademark for the cable car system and offer the best compensation percentage for the Municipal Railway.

Bob Planthold suggested looking at merchandising the PCC historic street cars that would be used for the F-Line.

Shelley Salieri commented in favor of proceeding with the issuance of the Request for Proposals. She commented that as far as merchandising F-line cars, the Market Street Railway Organization should be involved in the process.

Commissioner Jefferson moved to adopt the resolution. Commission Miller seconded. The motion passed unanimously.

Resolution No. 93-0382: Authorizing acceptance of a donation of \$50,000 from the Bank of Canton and the YMCA of San Francisco to be used to increase the illumination level of the street lighting system located in the Tenderloin.

Larry Chu of the Bank of Canton and Carmela Gold of the YMCA commented that their organizations were willing to help improve safety in the Tenderloin area.

Commissioner Hardeman requested that the General Manager send a letter to the YMCA and the Bank of Canton thanking them for the donation.

Commissioner Miller moved to adopt the resolution. Commissioner Jefferson seconded. The motion passed unanimously.

Item No. (19): Authorizing modification to the professional services agreement with Booz-Allen and Hamilton Inc., for consultant engineering services related to the procurement of 17 additional light rail vehicles.

Commissioner Jefferson requested a presentation in January on the status of the production of light rail vehicles. He stated that he would like to know about the tests that have been done, the test results, the purpose of the tests and whether the test results met their expectations.

President Hardeman continued this matter to the next regular meeting on January 11, 1994 and directed staff to make a presentation to the Commission prior to the meeting.

Item No. (20): Report on November Municipal Railway fare revenues.

Kathleen Kelly of the Bureau of Finance reported that the Municipal Railway was not generating revenues as projected and if this revenue trend continues for the rest of the year the Municipal Railway would have a shortfall of \$5 million. She reported that the Mayor's Office, the Budget Analyst and the Controller issued a joint report recommending options to close the \$5 million gap. She stated that the options given were to restore the transfer system and raise the fares to \$1.25 and the fast pass to \$37.00. Another option was to raise the fares to \$1.35.

NOTE: Commissioner Kay K. Yu arrived at 4:20 p.m. during the discussion of this item.

Bob Planthold stated that the Day Pass for seniors passed by the Public Utilities Commission would not be considered by the Board of Supervisors at its Wednesday's Budget Committee meeting. He urged that the Commission take action on the three-day grace period for the monthly pass.

David Pilpel commented that Muni ridership went down due to the elimination of transfers. He stated that he would support a fare increase of \$1.10 to a \$1.25 and the restoration of Muni transfers.

Commissioner Yu stated that a policy issue on whether the Municipal Railway is a service or a business entity would have to be resolved and addressed by the new Transportation Commission.

Commissioner Jefferson suggested considering the possibility of developing a budget for the Municipal Railway that would include Muni's actual operating costs and the amount of funds needed to provide the service demanded by the public.

Commissioner Yu requested that staff conduct an analysis of the baseline service, the optional service, and the costs involved to improve it and meet the demands of the public.

ANNOUNCEMENT:

President Hardeman announced that the Executive Session to discuss a personnel matter was canceled.

THEREUPON, THE MEETING WAS ADJOURNED TO RESUME THE
1:00 P.M. EXECUTIVE SESSION ON ATTORNEY-CLIENT MATTERS AT: 4:40 P.M.

Romaine A. Boldridge
Secretary



